MONACO SOLICITORS

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Dear Sir or Madam

**Free Legal Letters and Documents: Templates and Examples**

Many thanks for visiting Monaco Solicitors’ website. We attach copy of the document that you asked for and hope you will find it useful.

If we can be of any further help, please do get in touch by ‘phone or via our website.

Yours faithfully

Monaco Solicitors

**MONACO SOLICITORS**

**Settlement agreement template: Standard version 2**

Without prejudice and subject to contract
Private & Confidential

DATED……

## **Settlement Agreement**

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THIS AGREEMENT is dated [date]
PARTIES

1. [name of employer] of [address]

2. [name of employee] of [address]

AGREED TERMS

1. Termination date

1.1 The Employee’s employment with the Employer terminated on [31st July 2015].

1.2 The Employee has received their basic salary and other contractual benefits, up to and including the Termination Date less tax and National Insurance contributions.

1.3 The Employee will be paid in lieu of two days’ holiday which represents her accrued but untaken entitlement up to the Termination Date.

2. Termination payment

2.1 The Employer will pay to the Employee £5000 by way of compensation for the termination of their employment comprising of £4380 (£5923.08 gross) by way of a payment in lieu of notice and £620 by way of an ex gratia payment. The total amount to be received by the Employee will be £5000.

2.2 The Employer and the Employee believe that the payment in lieu of notice should be subject to deductions for tax and National Insurance and the Employer will make the necessary deductions. The Employer and the Employee believe the remainder of the Termination Payment will be tax free.

2.3 The Employee shall indemnify the Employer on a continuing basis against any further income tax and employee national insurance contributions in respect of the Termination Payment (and any related interest and penalties). The Employer will give the Employee a reasonable opportunity to dispute any determination by a relevant tax authority that excess tax is due before it makes a payment of such excess tax.

2.4 The Termination Payment will be made to the Employee within 7 days of the Termination Date or receipt by the Employer of a copy of this agreement signed by the Employee, including the certificate signed by the Employee’s adviser as set out at Schedule 3, whichever is later.

3. Waiver

3.1 The terms of this agreement are offered by the Employer without any admission of liability and are in full and final settlement of all and any claims or rights of action that the Employee has or may have arising out of their employment with the Employer, or its termination, whether under common law, contract, statute or otherwise, whether or not such claims are, or could be, known to the parties or in their contemplation at the date of this agreement in any jurisdiction and including, but not limited to, the claims specified in Schedule 2 (each of which is intimated and waived) but excluding any claims by the Employee to enforce this agreement, any personal injury claims which have not arisen as at the date of this agreement and any existing personal injury claims or any claims in relation to accrued pension entitlements.

3.2 The Employee acknowledges that the conditions relating to settlement agreements and compromise agreements under section 147 of the Equality Act 2010, section 77(4A) of the Sex Discrimination Act 1975 (in relation to claims under that Act and the Equal Pay Act 1970), section 72(4A) of the Race Relations Act 1976, paragraph 2 of Schedule 3A to the Disability Discrimination Act 1995, paragraph 2(2) of Schedule 4 to the Employment Equality (Sexual Orientation) Regulations 2003, paragraph 2(2) of Schedule 4 to the Employment Equality (Religion or Belief) Regulations 2003, paragraph 2(2) of Schedule 5 to the Employment Equality (Age) Regulations 2006, section 288(2B) of the Trade Union and Labour Relations (Consolidation) Act 1992, section 203(3) of the Employment Rights Act 1996, regulation 35(3) of the Working Time Regulations 1998, section 49(4) of the National Minimum Wage Act 1998, regulation 41(4) of the Transnational Information and Consultation etc. Regulations 1999, regulation 9 of the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, regulation 10 of the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, regulation 40(4) of the Information and Consultation of Employees Regulations 2004, paragraph 13 of the Schedule to the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006 and section 58 of the Pensions Act 2008 have been satisfied.

4. Return of property

4.1 The Employee warrants that they will return to the Employer in good condition all property belonging to the Employer or relating to the Employer or its business contacts in whatever format but including any car, company credit card, keys, security pass, identity badge, mobile telephone, pager, lap-top computer, books, documents, papers, computer disks, memory sticks and other media.

4.2 The Employee warrants that they will delete irretrievably any information relating to the business or business contacts of the Employer that he has stored on any magnetic or optical disk or memory of any personal electronic devices that are or have been in the Employee’s possession or control, including computers and mobile phones.

5. Employee warranty

The Employee warrants and represents to the Employer that there are no circumstances of which the Employee is aware or ought reasonably to be aware which would amount to a repudiatory breach of any express or implied term of their contract of employment which would entitle (or would have entitled) the Employer to terminate the Employee’s employment without notice. The Termination Payment is conditional on this being so.

6. Confidentiality and other restrictions

6.1 The Employee and the Employer confirm that they have kept and agree to keep the existence and terms of this agreement confidential, except where disclosure is to HM Revenue & Customs, their professional advisers, members of their immediate family (provided that they agree to keep the information confidential) or is required by law.

6.2 The Employee shall not, and the Employer shall use reasonable endeavours to ensure that its employees and officers shall not, make any adverse or derogatory comment about each other or do anything which shall, or may, bring the Employer, its directors or employees, or the Employee into disrepute.

7. Legal advice and fees

7.1 The Employee confirms that they have received independent advice as to the terms and effect of this agreement and in particular on its effect on their ability to pursue any complaint before an employment tribunal or court from [Settlement Agreements.org], who is a relevant independent adviser, and who shall sign the certificate set out at Schedule 3 to this agreement.

7.2 The Employer shall pay the reasonable legal fees (up to a maximum of £350 plus VAT) incurred by the Employee in obtaining advice on the termination of their employment and the terms of this agreement, such fees to be payable to their adviser on production of an invoice.

8. Entire agreement

This agreement constitutes the entire agreement between the parties and supersedes all previous agreements, arrangements and understandings between them relating to the Employee’s employment and its termination.

9. Governing law and jurisdiction

9.1 This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

9.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

10. Subject to contract and without prejudice
This agreement shall be deemed to be without prejudice and subject to contract until such time as it is signed by both parties and dated, when it shall be treated as an open document evidencing a binding agreement.

This agreement has been entered into on the date stated at the beginning of it.

Signed by [name] ………………………………

Signed by [name] ………………………………

SCHEDULE 1 CLAIMS

1. Claims:

1.1 for breach of contract or wrongful dismissal;

1.2 for unfair dismissal, under section 111 of the Employment Rights Act 1996;

1.3 in relation to the right to a written statement of reasons for dismissal, under section 93 of the Employment Rights Act 1996;

1.4 for a statutory redundancy payment, under section 163 of the Employment Rights Act 1996;

1.5 in relation to an unlawful deduction from wages or unlawful payment, under section 23 of the Employment Rights Act 1996;

1.6 for unlawful detriment, under section 48 of the Employment Rights Act 1996;

1.7 in relation to written employment particulars and itemised pay statements, under section 11 of the Employment Rights Act 1996;

1.8 in relation to suspension from work, under section 70 of the Employment Rights Act 1996;

1.9 in relation to time off work, under sections 51, 54, 57, 57B, 60, 63 and 63C of the Employment Rights Act 1996;

1.10 in relation to working time or holiday pay, under regulation 30 of the Working Time Regulations 1998;

1.11 for equal pay or equality of terms under sections 120 and 127 of the Equality Act 2010;

1.12 for direct or indirect discrimination, harassment or victimisation related to disability, discrimination arising from disability, or failure to make adjustments under section 120 of the Equality Act 2010 and/or direct discrimination, harassment or victimisation related to disability, disability-related discrimination or failure to make adjustments under section 17A of the Disability Discrimination Act 1995;

1.13 under sections 68A, 87, 137, 145A, 145B, 146, 168, 168A, 169, 170, 174 and 192 of the Trade Union and Labour Relations (Consolidation) Act 1992;

1.14 in relation to the right to be accompanied under section 11 of the Employment Relations Act 1999;

1.15 in relation to personal injury, whether or not the Employee is aware or ought reasonably to be aware of such claims at the date of this agreement;

1.16 for harassment under the Protection from Harassment Act 1997;

1.17 for failure to comply with obligations under the Human Rights Act 1998;

1.18 for failure to comply with obligations under the Data Protection Act 1998;

1.19 arising as a consequence of the United Kingdom’s membership of the European Union.

SCHEDULE 2 ADVISER’S CERTIFICATE

I, ………………………. of ………………………. whose address is …………………………………, am [a Solicitor of the Senior Courts of England and Wales who holds a current practising certificate OR AMEND AS APPLICABLE] and confirm that I have given [name] legal advice on the terms and effect of the agreement between [name] and [name] of today’s date (the Agreement) and, in particular, its effect on his ability to pursue the claims specified in Schedule 2 of the Agreement.

I also confirm that there is now in force (and was in force at the time I gave the advice referred to above) a policy of insurance or an indemnity provided for members of a profession or professional body covering the risk of claim in respect of loss arising in consequence of the advice I have given [name].

SIGNED…………..

DATED…………….