

COMPROMISE AGREEMENT

Prior to signature this entire agreement is without prejudice and subject to contract and cannot later be relied upon by either party should an agreement not be reached.

THIS AGREEMENT is made on the *[insert day]* day of *[insert month]* *[insert year]*

1. Outline

This document is intended to detail the agreed terms regarding the termination of *[Insert employee's name]* employment with *[Insert organisation name and address]*, (the Organisation).

2. Termination

[Insert employee's name] employment *[Select one of the following statements -*

terminated on *[Insert date]*

OR

will terminate on *[Insert date]*

3. Complaint

[Insert employee name] agrees to withdraw the following complaint against the Organisation:

[Insert details of the employee's complaint against the organisation]

4. Payments and Compensation

4.1 The Organisation agrees to pay the following sums owed to *[Insert employee name]* within *[Specify exact number of days, e.g. 7-30 days]* days of this agreement being signed and becoming unconditional:

4.1.1 Accrued salary and all outstanding and accrued holiday pay up to the date of termination, less normal deductions. Work related expenses incurred by the employee during the course of their employment.

4.2 Furthermore the Organisation agrees to pay the following compensation within *[Specify exact number of days, e.g. 7-30 days]* days of this agreement being signed and becoming unconditional:

4.2.1 The sum of *[Insert amount in words and numbers, e.g. £2,000, Two Thousand Pounds]* for compensation for loss of notice, less usual statutory deductions.

4.2.2 The sum of *[Insert amount in words and numbers, e.g. £2,000, Two Thousand Pounds]* for compensation for restrictive covenants imposed on *[Insert employee name]* after termination of employment as detailed in clauses 12 and 13 of this agreement, such compensation to be paid less usual statutory deductions.

4.2.3 Furthermore the Organisation will make an ex gratia payment of *[Insert amount in words and numbers, e.g. £2,000, Two Thousand Pounds]*, this payment is made without any admission of liability being made by the Organisation.

5. Tax and National Insurance Contributions

[Insert employee name] will pay any tax due on the sums in this agreement. For any payments that attract Employer or Employee National Insurance contributions, such contributions will be met by the Organisation. However, *[Insert employee name]* agrees to indemnify the Organisation for any tax, (other than National Insurance contributions) subsequently charged by the Inland Revenue.

6. Legal Costs

7. No Liability

8. Claim

9. Statutory Requirements

10. Offices

11. Organisation Property

12. Confidentiality

13. Restrictive Covenants

14. Independent Legal Advice

15. Severability

16. Entire Agreement

17. Jurisdiction