

## COMPROMISE AGREEMENT

Prior to signature this entire agreement constitutes the contract and cannot later be relied upon if a better offer is not reached.

THIS AGREEMENT is made on the  
*year]*

### 1. Outline

This document is intended to detail the terms of the termination of *[Insert employee's name and address]*, (the Organisation

### 2. Termination

*[Insert employee's name]* employee  
-

terminated on *[Insert date]*

OR

will terminate on *[Insert date]*

### 3. Complaint

*[Insert employee name]* agrees to  
the Organisation:

*[Insert details of the employee's c*

### 4. Payments and Compensation

**4.1** The Organisation agrees to pay *[Insert employee name]* within *[Specify e*  
of this agreement being signed and

**4.1.1** Accrued salary and all outstanding benefits as at the date of termination, less normal deductions, shall be paid by the employee during the course

**4.2** Furthermore the Organisation will pay the sum of [Insert amount in words and numbers, e.g. 10,000] within [Specify exact number of days] of the date of this agreement being signed and becoming unconditional.

**4.2.1** The sum of [Insert amount in words and numbers, e.g. 10,000] Thousand Pounds] for compensatory damages and statutory deductions.

**4.2.2** The sum of [Insert amount in words and numbers, e.g. 10,000] Thousand Pounds] for compensatory damages and statutory deductions of [Insert employee name] after termination of the contract under clauses 12 and 13 of this agreement and statutory deductions.

**4.2.3** Furthermore the Organisation will pay the sum of [Insert amount in words and numbers, e.g. 10,000] payment is made without any administrative charges by the Organisation.

## **5. Tax and National Insurance**

Any compensation sum below £30,000 over £30,000 [Insert employee name] Any sums relating to National Insurance contributions shall be paid by the Organisation. However, [Insert employee name] shall be responsible for the Organisation for any tax, (other than income tax) subsequently charged by the Inland Revenue.

## **6. Legal Costs**

Regarding the legal costs incurred by the Organisation in obtaining independent legal advice, the Organisation will pay the sum of [Insert amount in words and numbers, e.g. 10,000]

[Select one of the following statements]

pay the following sum inclusive of VAT of [Insert amount in words and numbers, e.g. 10,000] OR

not pay a contribution towards the legal costs of the Organisation.

## 7. No Liability

No admission of liability whatsoever by the Organisation or any associated organisation.

## 8. Claim

**8.1** The terms detailed in this agreement shall not constitute a claim that could be brought by *[Insert Name of Organisation]* or any associated organisation or any employees or officers of the Organisation, whether under statute or not arising out of *[Please select one or more of the following]* including, but not limited to:

- a) Any claim for unfair dismissal;
- b) Any claim for wrongful dismissal or for termination without notice;
- c) Any claim for holiday pay;
- d) Any claim for outstanding pay, interest or damages;
- e) Any claim relating to unauthorised deductions from wages under the Employment Rights Act 1996;
- f) Any claim for redundancy whether or not the Organisation is liable for such a claim.

**8.2** Any claims or complaints that arise under the Employment Rights Act 1996, the Sex Discrimination Act 1975, the Disability Discrimination Act 1995, the Equal Pay Act 1970, the Equal Pay (Consolidation) Act 1992, the Working Time Regulations 1998, the Minimum Wage Regulations 1999, or any Acts or Regulations that replace or amend any of the above.

**8.3** Furthermore before the signing of this agreement, *[Insert Name of Organisation]* shall provide any directorships, company secretarial services or other services relating to the Organisation or any associated organisation, and shall complete a transfer form for the transfer of shares in the Organisation to the transferee.

## 9. Statutory Requirements

This compromise agreement comprises all compromise agreements as stated under section 203 of the Employment Rights Act 1996. *[Insert employee name]* warrants that independent legal advice has been obtained from an independent legal adviser, *[Insert organisation address]* regarding the terms of this agreement. *[Insert employee name]* will not bring a claim for dismissal, statutory redundancy pay, discrimination or disability discrimination to the Employment Tribunal in respect of this agreement.

## 10. Offices

**10.1** *[Insert employee name]* shall not contact any work colleagues, clients or suppliers until employment terminates until signed.

**10.2** After signature of this agreement, clauses 12 and 13 of this agreement shall apply.

## 11. Organisation Property

**11.1** Prior to signature of this agreement, *[Insert employee name]* shall return all property belonging to the Organisation.

**11.2** Vehicle(s), including detachable equipment, mobile phone systems or GPS navigational aids, keys, discs, related fuel cards or vouchers, parking tickets or fines and any other related vehicle equipment.

**11.3** All computers, computer peripherals, mobile phones, digital assistants, software, CDs, DVDs, hard drives, storage media whether containing data, shall be returned. *[Insert employee's name]* agrees to provide settings for any hardware or electronic equipment to the Organisation all usernames, passwords, PINs, computer hardware, software or electronic data, and all details required for any encrypted data, shall be returned. Hardware, electronic storage media shall be returned remotely.

**11.4** All keys, identification or security membership, travel or concession Organisation.

**11.5** Furthermore any loans made or taken into account by the Organisation *[Insert employee's name]*.

## **12. Confidentiality**

**12.1** *[Insert employee name]* shall not select - his/her] employment or after terminated use or disclose or permit of the Organisation any confidential data concerning the practice, business or any of the Organisation's clients *his/her]* knowledge by reason of *[*

**12.1.1** Confidential information or necessarily be limited to: Technical marketing or promotional information

**12.1.2** Proprietary data shall consist Customer lists, pricing data, source marketing data or merchandising s

## **13. Restrictive Covenants**

**13.1** *[Insert employee name]* shall or as the employee, or agent of any *time period, e.g. 1-12 months]* following *select - his/her]* employment here

**13.1.1** Practise as or do the work place within *[Insert number of miles]* Organisation's offices.

**13.1.2** Offer employment or seek employment of the Organisation.

**13.1.3** Solicit within England instrumental organisation who are or were a client *[Insert time period, e.g. 1-12 months]* *select - his/her]* employment by the



**14.4** *[Insert advisor name]* of *[Insert name]* signing this compromise agreement in this clause 14 are correct.

### **15. Severability**

It is hereby declared that the foregoing clauses of this Agreement shall be severable from each other. Should any part of this Agreement be found invalid it shall not affect the validity of the remaining paragraphs and clauses.

### **16. Entire Agreement**

This Agreement sets out the entire agreement between the parties and is in substitution of any other agreement between the parties.

### **17. Jurisdiction**

This Agreement shall be construed and shall be subject to the exclusive jurisdiction of the courts of England and Wales.

IN WITNESS of which the parties have hereunto set their hands and year first above written.

*[Insert employer name]*  
*[Insert name of person signing on behalf of employer]*  
*[Insert their position]*

Signature: \_\_\_\_\_

*[Insert name of legal advisor organisation]*  
*[Insert name of person signing on behalf of legal advisor organisation]*  
*[Insert their position]*

Signature: \_\_\_\_\_

## EXAMPLE AGREEMENT

### COMPROMISE AGREEMENT

Prior to signature this entire agreement shall constitute the contract and cannot later be relied upon if a better offer is not be reached.

THIS AGREEMENT is made on the

#### 1. Outline

This document is intended to detail the terms of the termination of **John Brown's** employment at **Dover Street, London W2 8PP,**

#### 2. Termination

**John Brown's** employment term

#### 3. Complaint

**John Brown** agrees to withdraw the complaint from the Organisation:

**That the Organisation withheld s**

#### 4. Payments and Compensation

**4.1** The Organisation agrees to pay the employee within **30 days** of this agreement

**4.1.1** Accrued salary and all outstanding benefits as at the date of termination, less normal deductions, to be paid by the employee during the course

**4.2** Furthermore the Organisation agrees to pay the employee within **30 days** of this agreement

**4.2.1** The sum of **£2,000, Two Thousand Pounds** of notice, less usual statutory deductions.

**4.2.2** The sum of **£2,000, Two Thousand Pounds** restrictive covenants imposed on **John Brown** employment as detailed in clauses 10 and 11. Compensation to be paid less usual statutory deductions.

**4.2.3** Furthermore the Organisation agrees to pay **£2,000, Two Thousand Pounds** in full, no admission of liability being made by the Organisation.

## **5. Tax and National Insurance**

Any compensation sum below £30,000 will be paid net. Any compensation sum over £30,000 **John Brown** will pay the tax and National Insurance contributions relating to National Insurance contributions. However, **John Brown** agrees to pay the tax and National Insurance contributions (other than National Insurance contributions) on any compensation sum over £30,000. Inland Revenue.

## **6. Legal Costs**

Regarding the legal costs incurred by **John Brown** in obtaining legal advice, the Organisation will contribute towards legal costs, £

## **7. No Liability**

No admission of liability whatsoever by the Organisation or any associated organisation.

## **8. Claim**

**8.1** The terms detailed in this agreement shall constitute the entire agreement between **John Brown** and the Organisation. No claim that could be brought by **John Brown** or any associated organisation, its or their officers, directors, employees, agents, officers of the Organisation or any other person under any statute or common law or otherwise in connection with the Organisation's employment or termination, including

a) Any claim for unfair dismissal;

b) Any claim for wrongful dismissal or for termination without notice;

c) Any claim for holiday pay;

d) Any claim for outstanding pay,

e) Any claim relating to unauthorised deductions from wages under the Employment Rights Act 1996;

f) Any claim for redundancy whether or not the employee is entitled to a redundancy payment;

**8.2** Any claims or complaints that arise under the Employment Rights Act 1996, the Sex Discrimination Act 1975, the Disability Discrimination Act 1995, the Equal Pay Act 1970 (Consolidation) Act 1992, the Working Time Regulations 1998, the Minimum Wage Regulations 1999, or any Acts or Regulations that replace or amend any of the above;

**8.3** Furthermore before the signing of this agreement, **John Brown** shall be entitled to the compensation due under it, **John Brown** shall be entitled to directorships, company secretarial duties, and to the Organisation or any associated company, and to the form for the transfer of shares held by **John Brown**.

## **9. Statutory Requirements**

This compromise agreement complies with the requirements of the Compromise Agreements, as stated under section 203 of the Employment Rights Act 1996. **John Brown** warrants that before signing this agreement, advice has been received from **his** solicitor, **Swinn & Co, Swinn House, 13 L**, regarding the terms and effect of this agreement. **John Brown** is precluded from bringing a claim for unpaid wages, holiday pay, payment, sex discrimination, race discrimination, or any such other claim at an Employment Tribunal in relation to the employment detailed in this agreement.

## **10. Offices**

**10.1 John Brown** shall not attend any work colleagues, clients or customers until the signature of this agreement is terminated until signature of this agreement.

**10.2** After signature of this agreement and 13 of this agreement shall apply.

## **11. Organisation Property**

**11.1** Prior to signature of this agreement under it, **John Brown** will deliver to the Organisation, including but not limited to:

**11.2** Vehicle(s), including detachable systems or GPS navigational aids, discs, related fuel cards or vouchers or fines and any other related vehicle.

**11.3** All computers, computer peripherals, digital assistants, software, CDs, DVDs, storage media whether containing data. **John Brown** agrees not to tamper with hardware or electronic storage media, usernames, passwords or pin codes. **John Brown** shall provide the hardware, software or electronic storage media required for any encrypted information on electronic storage media or such information.

**11.4** All keys, identification or security membership, travel or concession cards issued by the Organisation.

**11.5** Furthermore any loans made to or taken into account by the Organisation shall be repaid by **John Brown**.

## **12. Confidentiality**

**12.1** **John Brown** shall not prior to or after **his** employment has terminated, without the prior consent of the Organisation, disclose or use for the Organisation's trade secrets or proprietary data or confidential affairs of the Organisation or any other information that comes to **his** knowledge by reason of his employment.

**12.1.1** Confidential information or data shall necessarily be limited to: Technical information, marketing or promotional information

**12.1.2** Proprietary data shall consist of Customer lists, pricing data, source marketing data or merchandising s

### **13. Restrictive Covenants**

**13.1 John Brown** shall not on **his** behalf or on behalf of any other persons for the period of 12 months after the termination of **his** employment he

**13.1.1** Practise as or do the work of a solicitor within 100 miles of any of the Organisation's

**13.1.2** Offer employment or seek employment of the Organisation.

**13.1.3** Solicit within England instrumentalities of the Organisation who are or were a client of the Organisation within **4 months** prior to the termination

**13.2 John Brown** shall not for a period of 12 months after the termination of **his** employment, enter into any arrangements for the provision of services to any person who was in the **6 months** prior to the termination of the Organisation.

**13.3** Reference to clients in this clause shall include any person who **John Brown** or any company who was a personal friend of **John Brown** during his employment with the Organisation or who is wholly controlled by such a person

**13.4 John Brown** acknowledges that the termination of this Agreement is likely to cause loss of business to the Organisation and in the event the Organisation shall be entitled to claim damages in addition to any other a

**13.5** Furthermore **John Brown** shall not make any derogatory remarks regarding the Organisation or its employees or officers of the Organisation.

## **14. Independent Legal Advice**

**14.1 John Brown's** independent certificate issued by The Law Society of Scotland in respect of Employment Rights (Dispute Resolution) Act 1998.

**14.2 Swinn & Co** is fully insured as detailed by section 203 of the Employment Rights Act 1996, professional indemnity insurance provided by a member of the profession or professional body which [insert employee name] in respect of any claim.

**14.3** All of the conditions regulating section 203 of the Employment Rights Act 1996, section 72 of the Race Relations Act 1975, section 72 of the Race Relations (Amendment) Act 1995, and section 109 of the Employment Relations (Consolidation) Act 1992.

**14.4 John Swinn of Swinn & Co** below confirms that the statement is true.

## **15. Severability**

It is hereby declared that the foregoing clauses of this Agreement shall be severable from the rest. Should any part of this Agreement be found invalid it shall not affect the validity of the remaining paragraphs and clauses.

## **16. Entire Agreement**

This Agreement sets out the entire agreement between the parties and is in substitution of any other agreement between the parties.

**17. Jurisdiction**

This Agreement shall be construed and shall be subject to the exclusive jurisdiction of the courts of England and Wales.

IN WITNESS of which the parties have hereunto set their hands and year first above written.

**Acme Digital Partners**  
**Jeff Beck**  
**Managing Director**

Signature: \_\_\_\_\_

**Swinn & Co**  
**John Swinn**  
**Solicitor**

Signature: \_\_\_\_\_

