



COMPROMISE AGREEMENTS

THE EMPLOYER

What is a compromise agreement?

A compromise agreement is a legally binding agreement setting out the financial and other terms on which the employment relationship will end. In order for the compromise agreement to be valid, certain statutory requirements must be fulfilled. The agreement prevents the employee from making or continuing a claim in a court or employment tribunal.

If a compromise agreement does not comply with the statutory requirements it can still be partially effective, enabling the employee to issue or continue legal proceedings. It is no longer sufficient to have an agreement which is a generalised "full and final settlement" agreement.

What can we offer you?

- A member of our specialist employment team will take full instructions off you concerning the circumstances in which the employee's employment has been terminated, advise you accordingly on the content of the agreement and draft the compromise agreement on your behalf.
- We will charge you a fixed fee of £395 + VAT for all work associated with advice and drafting in relation to the agreement.
- We offer a discounted rate of £350 + VAT if our invoice is paid within 7 days
- We can take instructions over the telephone, via email or in a face to Face meeting.
- Peace of mind

THE EMPLOYEE

What is a compromise agreement?

A 'compromise agreement' is a legally binding agreement which you may be given to sign following the termination of your employment. It usually provides for a payment to you in return for your agreement not to pursue any claim you believe you may have against your employer, in a court or employment tribunal.

If you settle a dispute with your employer, it is important to have details of that settlement in writing and for the agreement to have legal effect. This ensures that both sides clearly understand the terms of the agreement and keep to the agreement.

What can we offer you?

- A compromise agreement is only legally binding if you have received independent legal advice from a qualified adviser. A member of our specialist employment team can provide you with advice on the terms and consequences of the agreement and sign the agreement to certify that the appropriate advice has been given.
- Although not obligatory, it is usual practice for your employer to make a contribution towards the cost of this legal advice, usually in the region of £250 + VAT. We cap our fee for advising on an agreement at £250 + VAT which means that in most cases, it will not cost you anything to obtain this advice.
- We can advise you on your agreement over the telephone or via email in order to ensure that we provide a swift service. However, if you would prefer to visit our offices this can be arranged.

De Marco Hunter Solicitors
Number Three, Siskin Drive
Middlemarch Business Park
Baginton, Nr Coventry
CV3 4FJ

Tel: 024 7621 4440 Fax: 024 7699 8273

©De Marco Hunter Solicitors 2009
www.demarcohunter.com

