



## **Settlement Agreements – what employees need to know**

A settlement agreement is a legal document that sets out the compensation you will receive when leaving employment in return for giving up all of your employment claims.

It will provide details of:

- The compensation you will receive on termination of employment;
- The terms of confidentiality;
- There may be a provision in the Agreement that stops you from making derogatory or disparaging remarks about the employer and/or its staff;
- The claims that you agree you will not issue against the employer;
- Sometimes there is a reference attached that the employer will use in the future.

### **Next steps**

As part of the agreement you will need to take advice from an independent solicitor who will review the agreement, advise you on the terms, answer any queries and make any necessary amendments.

Once the settlement agreement has been agreed, it must be signed by you, the employer and by the independent solicitor.

### **Fees**

Your employer will usually contribute the cost of legal fees. Contributions are typically £250-£350 + VAT.

For more information please contact [employmentteam@morganlaroche.com](mailto:employmentteam@morganlaroche.com).