Online Legal Advise

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Dear Sir or Madam

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

Many thanks for visiting Online Legal Advise’ 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

Online Legal Advise

**ONLINE LEGAL ADVISE**

**ONLINE LEGAL ADVISE- Without prejudice letter:**

**Unpaid commission and bonus**

[Address]

27 May 2019

WITHOUT PREJUDICE

Dear Sirs

[Employee] v [Company]

I refer to the draft ET1 employment tribunal proceedings, attached, which set out the basis of a claim for over £30,000. In the interests of a swift resolution, however, [Employee] would be amenable to settling her claim on the above terms: -

* The severance payments referred to in the compromise agreement of 27 April 2019, clause 2, paid gross;
* A bonus for the financial year 2018 – 2019, pro rata, that is in relation to 01 December 2018 – 03 May 2019 inclusive. This should be based on the turnover figures which are circulated regularly. Such figures should be disclosed to us in order to calculate the sum. The percentages are set out in the letter of 16 July 2018;
* Severance pay to be paid within 28 days rather than 45 days;
* Restructuring of the compromise agreement so that the severance payments are paid gross as an ex gratia payment and not subjected to tax (we would be happy to discuss this tax structure with you);
* Slight amendments to the reference – removing the last line – and amending the reference clause to state that verbal and questionnaire references are to be refused;
* Increase in legal fees in the compromise agreement from £200 + vat to £500 + VAT.

As you can see, in the spirit of compromise, [Employee] is willing to forgo the production bonus which is due to her, which [Employee] can prove was custom and practice by calling witnesses who have now left your employment.

On a purely commercial basis, [Employee] will accept a pro rata bonus, as opposed to the full bonus set out in the letter of 16 July 2018, which clearly refers to percentages of ‘all yearly net revenue’. Financial year is stated to be between 01 December to 30 November, and therefore ‘all yearly net revenue’ means all net revenue generated between those dates. This is a significant reduction in the claimable amount which is set out in the enclosed particulars of claim.

Because [Company] openly terminated [Employee] contract of employment without regard for any of the contractual disciplinary procedures, you have in effect repudiated the contract of employment - equivalent to tearing up the contract. This means that all of the terms in relation to confidentiality and so on do not currently apply to [Employee].

We aim to keep legal costs to a minimum, and therefore it is in all parties’ interests to either come to a swift resolve, or to let a third party decide the matter. Protracted and drawn out negotiations will only waste everybody’s time. On that basis, if we do not hear from you with a positive response by close of business tomorrow, the ET1 will be issued without further notice.

Yours faithfully