

SCHEDULES

SCHEDULE 4

COMPROMISE CONTRACTS

The Wages (Northern Ireland) Order 1988 (NI 7)

3. In Article 8—

- (a) in paragraph (3) after the words “apply to” there shall be inserted “(a)” and at the end of the words so constituted sub-paragraph (a) there shall be inserted the words

“; or

- (b) an agreement to refrain from presenting or continuing with a complaint if the conditions regulating compromise agreements under this Part are satisfied in relation to the agreement”; and

- (b) after paragraph (3) there shall be added—

“(4) The conditions regulating compromise agreements under this Part are that—

- (a) the agreement must be in writing;
- (b) the agreement must relate to the particular complaint;
- (c) the worker must have received independent legal advice from a qualified lawyer as to the terms and effect of the proposed agreement and in particular its effect on his ability to pursue his complaint before an industrial tribunal;
- (d) there must be in force, when the adviser gives the advice, a policy of insurance covering the risk of a claim by the worker in respect of loss arising in consequence of the advice;
- (e) the agreement must identify the adviser; and
- (f) the agreement must state that the conditions regulating compromise agreements under this Part are satisfied.

- (5) In paragraph (4)—

“independent”, in relation to legal advice to the worker, means that it is given by a lawyer who is not acting in the matter for the employer or for a person who is connected with the employer; and

“qualified lawyer” means—

- (a) a barrister, whether in practice as such or employed to give legal advice; or
- (b) a solicitor of the Supreme Court who holds a practising certificate.

(6) For the purposes of paragraph (5) any two persons are to be treated as “connected” if one is a company of which the other (directly or indirectly) has control, or if both are companies of which a third person (directly or indirectly) has control.”.