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| **Document name:** | Settlement Agreement |
| **PLEASE READ:**    *This precedent has been prepared by Al Tamimi & Company without reference to any particular matter, transaction or set of facts.  Substantive changes to this precedent may be required to adapt it to the requirements of a specific client or matter.  As of the date of publication, this template has been drafted pursuant to all applicable legislation and statutes. Laws and/or procedures may have changed since this precedent was published.*      ***NOTE: THIS IS A BASIC SAMPLE ONLY AND SPECIFIC ADVICE SHOULD BE SOUGHT FROM COUNSEL DULY LICENSED TO OPINE ON THE LAWS OF THE UNITED ARAB EMITRATES PRIOR TO A PARTY ENTERING INTO SUCH AN AGREEMENT.*** | |

**Instructions for use:**

* All sections marked in square brackets [….] are to be completed by a lawyer, or with the assistance and oversight of a lawyer, and tailored to the specific case at hand.
* All insertions in red font are likewise to be carefully considered and completed by a lawyer, or with the assistance and oversight of a lawyer, and tailored to the specific case at hand.

**SETTLEMENT AGREEMENT**

**DATED \_\_\_\_/\_\_\_\_/\_\_\_\_**

**- between -**

1. **[. . .], to be individually referred to as [. . .]**

**- and -**

1. **[. . .], to be individually referred to as [. . .]**

This Settlement Agreement is dated **\_\_\_\_/\_\_\_\_/\_\_\_\_** (the “**Agreement**”)

**BETWEEN**

1. **[. . .],** [a company incorporated in [. . .] under license number [. . .] and having its registered office at [. . .] and its branches, successors, Affiliates, agents and assigns] [OR] [a [. . .] National and holder of Passport No. [. . .], with the address of [. . .] and all [his][her] successors, Affiliates, agents and assigns]. **Individually referred to as [. . .].**

and

1. **[. . .],** [a company incorporated in [. . .] under license number [. . .] and having its registered office at [. . .] and its branches, successors, Affiliates, agents and assigns] [OR] [a [. . .] National and holder of Passport No. [. . .], with the address of [. . .] and all [his][her] successors, Affiliates, agents and assigns] **Individually referred to as [. . .].**

Each “**a Party**” and together “**the Parties**”.

**RECITALS**

These recitals of the relevant background are not comprehensive or exhaustive but shall serve only to briefly introduce the Agreement.

Defined terms used in this Agreement are in accordance with the definitions set out in Clause 1, save where otherwise indicated.

1. [INSERT RECITALS]

**NOW THEREFORE** the Parties, intending to be legally bound, hereby **AGREE AS FOLLOWS**:

1. **DEFINITIONS and INTERPRETATION**

In this Agreement, unless the context otherwise requires, the following definitions apply:

* 1. **Definitions**
     1. **“AED”** means the dirham, the lawful currency used in the United Arab Emirates;
     2. **“Affiliate”** means, with respect to any Person, a Person that directly or indirectly, through one or more intermediaries, is controlled by or controls a Party or is under common control with such Party and includes the Person’s successors. For all purposes of this Agreement, the term control (including, with correlative meaning, the terms controlled by and under common control with), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, or the power to veto major policy decisions of such Person, whether through the ownership of voting securities, by contract or otherwise;
     3. **“Agreement”** means this agreement together with any variations or amendments to this agreement as may from time to time be agreed in writing by the Parties;
     4. "**Business Day(s)**" means any day(s) other than Saturday and Sunday;
     5. **“Date of this Agreement”** means the date on which the Parties sign this Agreement and, in the event that the Parties do not sign this Agreement on the same day, then the date on which the last of the Parties to sign this Agreement signs it;
     6. “**Encumbrance”** means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind and any other type of preferential arrangement (including without limitation title transfer and retention arrangements) having a similar effect;
     7. **“Laws”** means all applicable laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgements or other requirements of any Governmental Authority as at the Date of this Agreement;
     8. **“Person”** means any individual, entity, corporation, company, partnership, joint venture, association, limited liability company, joint stock company, organisation, trust, unincorporated association, trustee, receiver or liquidator or any governmental authority, including such Person’s legal personal representatives and successors (or executors and heirs of a deceased individual) ;
     9. **“Payment Obligations”** means [PLEASE INSERT DEFINITION HERE];
     10. **“Related Parties”** means a Party’s parent, subsidiaries, assigns, transferees, representatives, principals, agents, officers or directors;
     11. **“UAE”** means the United Arab Emirates; and
     12. **“USD”** means the United States Dollar, the lawful currency of the United States of America.

1. **SETTLEMENT**
   1. By executing this Agreement, the Parties hereby irrevocably agree as follows:
      1. [Settlement terms to be drafted by lawyer]
2. **CONSEQUENCES OF BREACH**
   1. [To be tailored by lawyer]
3. **COSTS**
   1. Each Party shall bear its own costs in relation to the preparation, execution and carrying into effect of this Agreement and of all the other documents referred to in it.
4. **HOLD HARMLESS**

[Insert Parties] shall protect, defend, indemnify and hold [Insert Parties] and its assigns, employees, officers and directors harmless from and against all losses, costs, liabilities, claims, damages and expenses of every kind and character, as incurred, resulting from or relating to or arising out of any claim or legal action against [Insert Parties] by [Insert Parties].

1. **RELEASE**

This Agreement is in full and final settlement of, and each Party hereby releases and irrevocably, unconditionally and forever discharges, all and/or any actions, claims, rights, demands, set-offs, damages and/or liabilities whether in this jurisdiction or any other, whether or not presently known to the Parties or to the Law, and whether arising in contract, tort, regulation or otherwise that it, its Affiliates, Related Parties or any of them ever had, may have or hereafter can, shall or may have against each other Party or any of its Affiliates and Related Parties arising directly or indirectly out of or connected with:

1. The Dispute;
2. [to be tailored by Lawyer]

(Collectively ‘the Released Claims’)

1. **AGREEMENT NOT TO SUE OR PURSUE ANY LEGAL OR REGULATORY ACTION**
   1. Each Party agrees, on behalf of itself and on behalf of its Affiliates and Related Parties not to sue, commence, voluntarily aid in any way, complain, prosecute or cause to be commenced or prosecuted against any other Party or its affiliates and Related Parties any action, suit, complaint or other proceeding concerning the Released Claims in any forum and to any regulatory authority, in this jurisdiction or any other.
   2. Clause [x] and Clause [x] shall not apply to, and the Released Claims shall not include, any claims in respect of any breach of this Agreement.
2. **NO ADMISSION**

This Agreement is entered into in connection with the compromise of disputed matters and in the light of other considerations. It is not, and shall not be represented or construed by the Parties as, an admission of liability or wrongdoing on the part of either Party to this Agreement or any other person or entity.

1. **CONFIDENTIALITY**
   1. The Parties and each and any natural person involved in the negotiation and/or execution of this Agreement shall treat the existence as well as the content of this Agreement with strict confidentiality.
   2. The Parties shall take the necessary measures and be responsible that the existence and content of this Agreement is treated confidential by any of its directors and/or employees and/or any other of its auxiliaries and/or affiliates to which the existence and/or content of the Agreement is disclosed.
   3. For the avoidance of doubt, the terms of this Agreement, and the substance of all negotiations in connection with it, are confidential to the Parties and their advisers, who shall not disclose them to, or otherwise communicate them to, any third party without the written consent of the other Party other than:
      1. to the Parties' respective auditors, insurers and lawyers on terms which preserve confidentiality;
      2. pursuant to an order of a court of competent jurisdiction, or pursuant to any proper order or demand made by any competent authority or body where they are under a legal or regulatory obligation to make such a disclosure; and
      3. as far as necessary to implement and enforce any of the terms of this Agreement.
2. **BINDING EFFECT, AMENDMENTS AND VARIATION** 
   1. This Agreement will become effective and legally binding on all Parties with immediate effect upon its signature by the Parties.
   2. No variation or amendment of this Agreement shall be valid unless it is in writing and signed by or on behalf of each of the Parties.
3. **ENTIRE AGREEMENT**
   1. This Agreement and the documents and matters referred to herein constitute the entire understanding and agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
   2. Each Party acknowledges that it has not entered into the Agreement in reliance wholly or partly on any representation or warranty made by or on behalf of the other Party (whether orally or in writing) other than as expressly set out in the Agreement.
4. **NO WAIVER**

The failure or delay on the part of any Party to insist upon, exercise or enforce any right or remedy conferred by this Agreement shall not be, or be deemed to be, or be construed as a waiver of the right or remedy or of any other rights or remedies and any such failure or delay shall not prevent a Party from exercising or enforcing such right or remedy at any time or times thereafter.

1. **COUNTERPARTS**
   1. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.
   2. Transmission of an executed counterpart of this Agreement (but for the avoidance of doubt not just a signature page) by (a) fax or (b) email (in PDF, JPEG or other agreed formats) shall take effect as delivery of an executed counterpart of this Agreement. If either method of delivery is adopted, without prejudice to the validity of the Agreement thus made, each party shall provide the others with the original of such counterpart within [Insert transmission period].
2. **CO-OPERATION**

Each Party hereby irrevocably undertakes, covenants and agrees with each other Party that it will do or procure to be done all such things as shall reasonably be required to carry out this Agreement including where necessary the procuring of third parties under its control to act appropriately and in accordance with the terms of this Agreement.

1. **WARRANTIES AND AUTHORITY**
   1. Each Party warrants and represents that it has not sold, transferred, assigned or otherwise disposed of [Lawyer to bespoke]
   2. Each Party warrants and represents to the others with respect to itself that it has the full right, power and authority to execute, deliver and perform this Agreement.
2. **INDEMNITIES**

Each Party hereby indemnifies, and shall keep indemnified, the other Party against all costs and damages (including the entire legal expenses of the Parties) incurred in all and any actions, claims and proceedings in respect of any of the Released Claims which it or its Affiliates or Related Parties or any of them may bring against the other Party or its Affiliates or Related Parties or any of them.

1. **NO ADMISSION**

This Agreement is entered into in connection with the compromise of disputed matters and in the light of other considerations. It is not, and shall not be represented or construed by the Parties as, an admission of liability or wrongdoing on the part of either Party to this Agreement or any other Person or entity.

1. **VARIATION**

Any variation of this Agreement shall be binding only if it is recorded in a written document signed by or on behalf of each of the Parties.

1. **SEVERABILITY**

If any of the provisions of this Agreement are held to be invalid, illegal or unenforceable in any respect under any Law, the validity, legality and enforceability of the remainder of this Agreement shall not be affected.

1. **GENERAL**
   1. Neither this Agreement nor any benefits or obligations under this Agreement shall be assignable by any Party without prior written consent of each other Party.
   2. The provisions of this Agreement shall enure to the benefit of and be binding on the Parties and their respective successors and permitted assigns.
   3. Any right or remedy of the parties in respect of a breach of any provision of this Agreement shall be in addition and without prejudice to all other rights and remedies of the Parties, including other remedies at Law, and no failure to exercise or delay in exercising or enforcing any right or remedy shall operate to impair or constitute a waiver by that Party of that or any of its other rights or remedies and no single or partial exercise or enforcement of any such right or remedy shall preclude or restrict any other or further exercise or enforcement of any such right or remedy.
2. **NOTICES**
   1. Any notice or other communication to be given under this Agreement shall be in writing and in the English and/or Arabic languages and delivered by hand or by electronic mail or sent by courier (charges prepaid) to the physical addresses or electronic mail addresses of the Parties and their respective lawyers as set out in this Clause [Insert this clause number]:
      * 1. to the Lawyers of **[. . .]:**

Attention: [Insert Lawyer Name]

[Insert Address]

Email: [Insert]

Telephone: [Insert]

* + - 1. to the Lawyers of **[. . .]:**

Attention: [Insert Lawyer Name]

[Insert Address]

Email: [Insert]

Telephone: [Insert]

1. **GOVERNING LAW AND JURISDICTION**
   1. This Agreement and any dispute or claim arising out of or in relation to it or its subject matter or formation shall be exclusively governed by and construed in accordance with [insert governing law].
   2. Any dispute between the Parties arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be exclusively subject to the jurisdiction of the Courts of [insert courts].

**THIS AGREEMENT** has been executed by or on behalf of the Parties on the day and year first above written.

Signed by [Insert name of authorised signatory] as authorised representative of [. . ] [OR] in his personal capacity:

Signed by [Insert name of authorised signatory] as authorised representative of [. . ] [OR] in his personal capacity: