

Instructions: Writing Terms of Settlement

These are instructions to help prepare terms of settlement. It is important to complete your terms of settlement using your own details and based on your own circumstances. If you need more help, get legal advice.

There is no set form for terms of settlement. They can be handwritten or typed on a blank sheet of paper.

Layout and Headings

Use white A4 paper.

Type if possible, or use neat, clear handwriting in black or blue pen.

Use only one side of the paper.

Content

The document should start with the title – 'Terms of Settlement'.

Underneath write the names of the plaintiff and defendant and then the file or case number, as written on the statement of claim. For example:

TERMS OF SETTLEMENT
BETWEEN
MEENA VISHWANA
(Plaintiff)
AND
FIONA FRAME trading as Fantastic Florists
(Defendant)
LOCAL COURT FILE NUMBER: SC20xx/766

Next, state if there is to be a judgment in favour of the plaintiff and for what amount, or if the plaintiff is going to discontinue the claim. For example:

1. Judgment to be entered for the plaintiff for \$3,500.

Then state clearly each of the agreed actions between the plaintiff and the defendant in numbered paragraphs, including:

- when the defendant will pay the plaintiff
- how the defendant will pay the plaintiff
- what will happen if the defendant doesn't pay the plaintiff
- whether the defendant will pay any interest

For example:

2. The defendant will pay the plaintiff the amount of \$3,500 on or before 31 December 20xx.
3. The defendant will not be liable to pay any additional interest if she pays \$3,500 by 31 December 20xx

You may include a term that the agreement will be kept confidential by the parties.

For example:

4. The terms of this agreement are confidential

State what agreement you have about payment of legal costs. For example:

5. Each party will pay their own legal costs.

OR

5. The defendant is to pay the plaintiff the costs of filing the claim.

The plaintiff and the defendant should sign and date the statement in front of a witness. For example:

M.Vishwana

Meena Vishwana

Date: 24 November 20xx

Fiona Frame

Fiona Frame

Date: 24 November 20xx

The witnesses should also sign and write their full name. For example:

Witness: Ella Mavis

E. Mavis

Witness: Bob Atkins

B.A