

### **Settlement agreements**

In the case of ***Gbenga-Oluwatoye v Reckitt Benckiser South Africa (Pty) Ltd & Another CCT 41-16***, the parties settled after there were material misrepresentations made by the employee during the recruitment.

The employee was dismissed but requested a “softer exit”. As a result of the request, the parties concluded a Settlement Agreement.

Despite the standard waiver of rights to refer, the employee approached the Labour Court. The employee’s rationale was that it was against public policy and further that he was forced to sign.

The claim was dismissed by the Labour Court as the clause was not contrary to public policy and the allegations of forced signature were not supported by evidence. The Labour Appeal Court concurred.

The matter, however, did not end there. The matter proceeded to the Constitutional Court where it was held that even if the clause was invalid the employee would still fail as the dispute had been settled finally by agreement.

### **Lesson to be learned:**

Formalise your agreements in writing, but ensure that they are easy to read and understand and that the employee is not coerced into signing same.