

A Quick Guide to

# Employment Agreements

Certain clauses in employment agreements often give rise to more debate or controversy compared to others. **Swipe to know these contentious clauses, their significance, and aspects of their enforceability and negotiability.**

# Non-Compete and Non-Solicitation



## Importance

Restricts employees from working with competitors or soliciting clients or other employees after leaving the company. This helps employers safeguard their trade secrets and customer relationships.

## Enforceability

Non-solicit clauses are generally valid. However non-compete clauses are generally not enforceable post-termination of employment, except in special circumstances with limited scope and duration.

## Negotiability

Scope and duration can sometimes be negotiated.

# Confidentiality



## Importance

Ensures protection of sensitive business information.

## Enforceability

Strongly upheld, often extending beyond the employment tenure.

## Negotiability

Generally non-negotiable due to its critical nature for safeguarding business interests.

# Intellectual Property Rights (IPR)



## Importance

If done correctly, automatically transfers rights of employee inventions created during employment to the employer.

## Enforceability

Widely enforced, especially in roles involving research and development.

## Negotiability

Typically not negotiable.

# Termination Clauses



## Importance

Defines conditions for ending employment, either 'at-will', for cause, or by resignation.

## Enforceability

Enforceable when complaint with labor laws (such as the reason for termination).

## Negotiability

Limited, as it usually aligns with statutory requirements.

# Probationary Period



## Importance

Establishes a trial period to evaluate the employee's suitability.

## Enforceability

Standard practice, conditions usually enforced as stated.

## Negotiability

Duration or terms may be negotiable.

# Salary and Compensation



## Importance

Details salary, bonuses, and other benefits.

## Enforceability

Highly enforceable as per agreed terms.

## Negotiability

Often negotiable, dependent on the role and candidate's experience.

# Working Hours and Leave



## Importance

Specifies expected working hours, workdays, and leave entitlements.

## Enforceability

Generally enforceable within labor law guidelines.

## Negotiability

Limited, generally adheres to company policy.



# Appointment and Position



## Importance

Specifies role, designation, and key responsibilities.

## Enforceability

Generally binding but subject to changes in organizational structure.

## Negotiability

Limited, often aligned with organizational needs.

# Dispute Resolution



## Importance

Outlines how employment disputes will be resolved.


## Enforceability

Generally upheld, often includes arbitration clauses.

## Negotiability

May be negotiable but usually follows standard legal practices.

# Governing Law and Jurisdiction

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## Importance

Indicates the legal jurisdiction and laws governing the agreement.

## Enforceability

Standard and enforceable.

## Negotiability

Typically non-negotiable, aligns with the company's operational jurisdiction.

# Want to know more?

## About Treelife

Treelife provides **financial and legal support** to **entrepreneurs, investors, and foreign businesses** with access to a **team of professionals**, including chartered accountants, lawyers, and company secretaries, who have **deep domain expertise in the startup ecosystem.**

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