



COT3s Agreements FAQs

This note is to explain why you are required to sign a COT3. This note should be read together with our Settlement Agreement FAQs, which answers questions about specific clauses that will be contained in both COT3 agreements and Settlement Agreements and so that you fully understand their legal impact on you.

What is a COT3?

It is a legally binding agreement to settle actual or potential claims in the Employment Tribunal. It is on a form agreed by the parties, following conciliation by Acas. Typically, the wording of the agreement is drafted by the legal representatives acting for each involved party.

Is a COT3 the same as a settlement agreement?

It is similar in purpose to a settlement agreement and will have similar clauses, though the wording of the COT3 tends to be shorter and more concise. A COT3 acts in the same way that a settlement agreement does, it will prevent an employee from pursuing any legal claims against the employer or settle any claims that they have filed in the Employment Tribunal.

What role does Acas have?

A COT3 only arises where Acas has been contacted – it may be at the Early Conciliation stage before tribunal proceedings are issued or it may be during the course of tribunal claim proceedings, including at a Judicial Mediation or the final hearing itself.

When is the COT3 binding?

Once both parties have agreed the wording of a COT3 agreement with the Acas Conciliator, the COT3 is legally binding. The agreement does not have to be signed before it has effect. Therefore, it is really important that you understand that after we have informed Acas that you agree the proposed wording of a COT3 Agreement, that you will have settled/waived your legal claims. You will not be able to renegotiate or change any of the agreed terms. Your only recourse then will be to pursue a claim to enforce the terms of the COT3 agreement itself, should your employer breach it.

Do I need to take legal advice before signing a COT3?

Technically no. Unlike a settlement agreement, you do not have to warrant that you have taken advice from a qualified legal adviser, and therefore they are not required to sign the agreement to confirm that they have given you advice on the terms and effects of signing the agreement. But it is always important to exercise caution and advisable to have legal advice so that you fully understand what you are agreeing to and the effects it will have on you; specifically your ability to pursue any claim against your employer.