

## SETTLEMENT TERM SHEET

CASE NAME: \_\_\_\_\_ vs. \_\_\_\_\_

CASE NO. \_\_\_\_\_ CV \_\_\_\_\_ DATE: \_\_\_\_\_

### A. PAYMENT OF MONEY

1. To: \_\_\_\_\_ From: \_\_\_\_\_

2. Total amount to be paid: \$ \_\_\_\_\_

3. When: \_\_\_\_\_

4. Payment terms (*e.g., to whom checks will be written, number of payments, payment schedule, etc.*):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Does payment include attorney's fees? Yes or No

6. Any third-party liens to be paid from proceeds? Yes or No

a. If yes, to whom: \_\_\_\_\_

7. Tax Treatment: \_\_\_\_\_

### B. SELECT A RELEASE OPTION

☐ Release (*relinquishment of a right*)

OR

☐ Covenant Not to Sue (*agreement not to sue*)

Choose one of the following:

a. One Way from Plaintiff(s) to Defendant(s),  
or

b. Mutual

Scope of Release:

a. General Release

1. All claims raised in the litigation, or
2. All existing claims, whether or not raised in the litigation.

OR

b. Limited Release:


Scope of Covenant Not to Sue:


Exceptions to Covenant Not to Sue:

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Other Covenant Not to Sue Terms:


**C. CONFIDENTIALITY**

**1. Settlement agreement to be confidential: Yes or No**

**2. Mutual: Yes or No**

**3. What can be said about litigation?**

**a. Dispute amicably resolved**

**b. Nothing**

**c. Other: \_\_\_\_\_**

**4. Exceptions to confidentiality?**

**a. Attorneys**

**b. Tax advisors**

**c. Immediate family**

**d. As otherwise required by law**

**e. Other: \_\_\_\_\_**

**5. Liquidated damages in event of breach of confidentiality agreement: Yes or No**

**a. Amount (Not too large to avoid being a penalty): \$ \_\_\_\_\_**

**D. OTHER SETTLEMENT TERMS**

**1. No admission of liability.**

**2. \_\_\_\_\_**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**E. EMPLOYMENT CASES ONLY**

**1. Ability to reapply: Yes or No**

**2. Type of reference: \_\_\_\_\_**  
\_\_\_\_\_

**F. CONFIRMING AND DOCUMENTING SETTLEMENT**

**1. Do parties wish to place settlement terms on the record? Yes or No**

**2. Will there be a further typed settlement agreement? Yes or No**

**If yes:**

- a. Who will prepare the typed settlement agreement?** \_\_\_\_\_
- b. The draft will be sent to other parties on or before** \_\_\_\_\_
- c. Other parties to respond with changes, if any, by** \_\_\_\_\_
- d. Typed settlement agreement to be executed on or before** \_\_\_\_\_
- e. Will the typed agreement be filed in court?** \_\_\_\_\_
- f. Other terms regarding documenting settlement:** \_\_\_\_\_

**NOTE:** The parties agree that this settlement term sheet expresses all the material terms and is a binding settlement whether or not a further typed settlement agreement is drafted, and whether or not all of the parties sign a typed settlement agreement.

**G. DISMISSAL OF LITIGATION AND ENFORCEMENT OF AGREEMENT:**

**1. State any exceptions to complete dismissal (any claims or counterclaims, third-party claims, etc. that have not been settled):** \_\_\_\_\_

**Note:** If no exceptions are listed, the entire case, including any claims and counterclaims, will be dismissed with prejudice.

**2. Circle one of the following to indicate the form of the dismissal order:**

**a. Immediate dismissal without prejudice that automatically converts to a dismissal with prejudice on \_\_\_\_\_ unless prior to that date a party files a motion to reinstate, a motion to enforce the parties' settlement agreement, or a motion for additional time to file a motion to reinstate or a motion to enforce the settlement agreement.** (Court cannot enforce agreement after dismissal with prejudice is entered.)

*(Recommended in the Seventh Circuit where parties desire Court to retain jurisdiction until all settlement terms are fulfilled.)*

**b. Dismissal with prejudice to be entered on \_\_\_\_\_.** (Court cannot enforce agreement after that date. Choose date that allows sufficient time to execute written agreement and fulfill obligations or set a status date for presentation of an agreed order of dismissal.)

**c. Dismissal with prejudice to be entered after the parties have filed a stipulation to dismiss pursuant to settlement.** (The Court will set a telephonic status hearing in the future (usually 30 days out) but it will be cancelled if the parties file a stipulation to dismiss prior to this

date.)

**H. DO PARTIES CONSENT TO MAGISTRATE JUDGE JURISDICTION? Yes or No**

**I. DO PARTY REPRESENTATIVES HAVE FULL AUTHORITY TO ENTER INTO SETTLEMENT AGREEMENT? Yes or No**

**Identify party representatives and their titles:**

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**If a party is a governmental entity or welfare/benefit fund, state any steps to ratifying the agreement and the dates when those steps will be taken:**

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**J. SIGNATURES (or parties and counsel):**

**AGREED TO:**

**AGREED TO:**

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**K. NEXT COURT DATE TO REPORT ON SETTLEMENT: \_\_\_\_\_**