

Resigning: A guide for employees

Before **resigning** you need to ensure that you are aware of your obligations and have a plan in place.

Timing and notice

It's usually best not to resign until you have agreed terms with your new employer – and preferably signed the new contract. This will at least reduce the risk of you being jobless should things fall through. Don't forget to review your notice provisions in your existing contract and make sure that any start date falls after the end of the notice period. After announcing your resignation, it's always a good idea to follow it up in writing, confirming your last date of employment.



Restrictive covenants

Do check whether you have any [restrictions](#) in your current contract which could preclude you from joining the new business. For a certain period of time, your contract may prevent you from joining a competitor, from dealing with or soliciting the clients or prospective clients of your employer, or from soliciting or poaching your employer's staff. Only a non-compete restriction would stop you from joining a competitor at all.

The law is that restrictions must be reasonable and go no further than is necessary to protect the legitimate interests of the business. Non-compete clauses that, for instance, preclude employees from working for a competitor for 12 months have on occasions been held by the courts to be reasonable. But much will depend on the particular case, and you would be well-advised to obtain advice from your lawyer on the enforceability of any particular restrictions. It's sensible to tell a new employer of all possible restrictions – and sometimes this is actually a term of the new contract or the old one.



Bonuses

[Bonuses](#) are normally discretionary, and often contracts state that you will only be eligible if you are in employment on the bonus payment date and neither you nor your employer has given notice. If you resign before the payment date, you may well not receive a bonus. You will need to weigh up whether it's better to put off the resignation until you receive the money or, if it's not worth waiting for, decide to resign anyway. But also be aware that sometimes bonuses can be deferred in the form of cash, stock or options and, in most cases, if you resign before the award vests, it would be forfeited.



Remember to return all company property and abide by confidentiality obligations.

On resigning, you will be expected to return property belonging to your employer, including confidential documents, before you leave. You will also normally have contractual obligations not to disclose any confidential commercially-sensitive information to third parties.

This guide is intended for guidance only and should not be relied upon for specific advice.

If you need any advice on **resigning** or have queries relating to other employment law issues

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