# AUTHORISED DEDUCTIONS AGREEMENT TEMPLATE

The following letter template(s) should be used as a guide only. Any wording changes, other than those to insert a business name, may change the context, meaning or purpose of the template. We recommend you receive advice from the Victorian Chamber of Commerce and Industry prior to making such changes.

## Contacting the Victorian Chamber of Commerce and Industry

The Victorian Chamber’s team of experienced workplace relations advisors can assist members with a range of employment, human resources and industrial relations issues.

Our experienced workplace relations consultants can also provide assistance to both members and non-members on a range of more complex matters for a fee-for-service. The consultants can, among other things, provide training to employees, conduct investigations and provide representation at proceedings at the Fair Work Commission.

For assistance or more information, please contact the Workplace Relations Advice Line on **(03) 8662 5222.**

Disclaimer

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# Authorised deductions agreement

## Parties

[INSERT COMPANY NAME] and

[INSERT EMPLOYEE NAME] (the ‘Employee’)

## Background

1. **[INSERT COMPANY NAME]** operates an Employee Emergency Needs Fund (the **‘Fund’**).
2. The purpose of the Fund is to provide temporary financial assistance to employees, by way of an advancement of wages or salary, in certain emergency or hardship situations.
3. **[INSERT COMPANY NAME]** wishes to provide financial assistance to the Employee in the form of an advancement of wages in the amount of $**[INSERT AMOUNT]** (**‘Advancement of Wages’**).
4. **[INSERT COMPANY NAME]** and the Employee agree that the Advancement of Wages is made on the terms set out in this agreement.

## Operative provisions

**[INSERT COMPANY NAME]** agrees to pay to the Employee the amount of **[INSERT AMOUNT]** as an Advancement of Wages.

**[INSERT COMPANY NAME]** acknowledges that the Advancement of Wages:

* 1. is provided to the Employee at the Employee’s request;
  2. is provided to the Employee for the Employee’s benefit; and
  3. must be repaid to the Company by the Employee.

The Employee hereby authorises **[INSERT COMPANY NAME]** to:

* 1. deduct the amount of **[INSERT AMOUNT]** from the Employee’s wages or salary per pay period (**‘Authorised Deductions’**); and
  2. make the Authorised Deductions until such time as the Advancement of Wages has been fully repaid.

The Employee acknowledges that the Authorised Deductions are principally for the Employee’s benefit, given that they relate to the advancement of funds to the Employee.

The Employee agrees that if his/her employment with **[INSERT COMPANY NAME]** is terminated (for any reason, whether at **[INSERT COMPANY NAME]**’s or the Employee’s initiative), and the Advancement of Wages has not been fully repaid:

* + - * 1. the Employee authorises **[INSERT COMPANY NAME]** to deduct from the Employee’s entitlements payable on termination (which include unpaid wages and leave entitlements) the amount necessary to satisfy the Advancement of Wages;
        2. If the Employee’s outstanding entitlements are insufficient to satisfy the Advancement of Wages, the Employee authorises **[INSERT COMPANY NAME]** to deduct the full amount of the Employee’s entitlements and apply it to the amount owed.

The Employee agrees and accepts that any remaining amount of the Advancement of Wages which has not been repaid after the authorised deduction of my outstanding entitlements is a debt that the Employee owes to **[INSERT COMPANY NAME]** and is immediately payable in full on the day of termination.

The Employee acknowledges and understands that he/she may withdraw this authorisation at any time. However if the Employee chooses to do so, it does not release him/her from any legal obligation to repay the full amount.

Upon any withdrawal of this authorisation, any outstanding money due to **[INSERT COMPANY NAME]** under this agreement is a debt that the Employee owes to the **[INSERT COMPANY NAME]** and will become immediately payable in full.

Signed

**[Insert employee’s name]**

Name: Signature:

Date:

**[Insert employer’s name]**

Name: Signature:

Date: