

Clawback Provisions As An Alternative to Traditional Restrictive Covenants — Enforcement and Practical Considerations

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Partners Rob Steiner and Pam Kaplan authored the article "Clawback Provisions As An Alternative to Traditional Restrictive Covenants - Enforcement and Practical Considerations" in the May/June issue of *HR Advisor: Legal and Practical Guidance*. The use of clawback provisions - a contractual provision that gives an employer the right to recover compensation paid or owed to an employee upon the occurrence of a specific event - to enforce restrictive covenants, such as post-employment noncompete and non-solicitation obligations, in employment agreements has risen dramatically. This article examines the use of clawback provisions in employment agreements and compensation plans, and discusses factors that employers should consider when deciding whether or not to use clawback provisions in restrictive covenants.

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