

Date: [Insert Date]

To: [Employee Name]

Employee ID: [Insert ID]

Position: [Insert Job Title]

Subject: Mutual Separation Agreement

Dear [Employee Name],

This letter follows our recent discussions regarding your performance and the alignment of your current role with the company's requirements. As discussed, both [Company Name] and you have mutually agreed to terminate your employment contract effective [Last Working Date].

The terms of this mutual separation are as follows:

- **Termination Date:** Your last day of employment will be [Date].
- **Reason:** This separation is mutual and based on a performance mismatch, not involving misconduct.
- **Severance Payment:** In consideration of this mutual agreement, the company will pay you a lump sum of [Amount/Number of months' salary], subject to applicable tax deductions.
- **Final Settlement:** You will receive payment for all days worked up to the termination date, plus any accrued but unused vacation leave.
- **Benefits:** Your health insurance and other benefits will cease on [Date]. You will receive separate information regarding your right to continue coverage under [Applicable Law/Policy].
- **Company Property:** You agree to return all company property, including laptops, keys, and access badges, by [Date].
- **Confidentiality:** You remain bound by the confidentiality and non-disclosure obligations outlined in your original employment contract.
- **Release of Claims:** By signing this agreement, both parties waive the right to pursue any future legal claims or grievances related to this employment and its termination.

Please review this document carefully. If you agree to these terms, please sign and return this letter by [Deadline Date].

We thank you for your contributions to [Company Name] and wish you the best in your future endeavors.

Sincerely,

[Your Name]

[Your Title]

[Company Name]

Acknowledgment and Acceptance:

I, [Employee Name], hereby accept the terms of this Mutual Separation Agreement and confirm that I am signing this voluntarily.

Signature: _____ Date: _____