

[Company Name]
[Address]
[City, State, Zip Code]

[Date]

[Employee Name]
[Employee Address]

Subject: Separation of Employment and Severance Agreement

Dear [Employee Name],

As discussed during our meeting today, [Company Name] has made the difficult decision to reduce its workforce. Consequently, your position as [Job Title] is being eliminated, effective [End Date]. This decision is based on business requirements and is not a reflection of your individual performance.

1. Final Pay and Benefits

You will receive your final paycheck on [Date], which includes payment for all hours worked through your final day, plus any accrued but unused vacation time, subject to standard withholdings. Your health insurance coverage will continue through [Date]. Information regarding COBRA enrollment will be sent to you under separate cover.

2. Severance Offer

In exchange for signing and not revoking this Agreement, the Company offers you a severance payment of \$[Amount], equivalent to [Number] weeks of pay. This payment will be made in a lump sum within [Number] days following the Effective Date of this Agreement.

3. Release of Claims

By signing this Agreement, you agree to release [Company Name] from any and all claims, liabilities, or causes of action arising out of your employment or the termination of your employment, to the extent permitted by law.

4. Confidentiality and Return of Property

You agree to maintain the confidentiality of proprietary company information. You must return all company property (laptop, keys, badges, etc.) by [Date].

5. Consideration Period

You have [Number, e.g., 21 or 45] days to consider this offer. We advise you to consult with an attorney before signing. Once signed, you have [7] days to revoke your signature.

To accept this agreement, please sign and return this letter by [Deadline Date].

We thank you for your service and wish you the best in your future endeavors.

Sincerely,

[Authorized Signature]

[Name and Title]

Employee Acceptance

I accept the terms set forth in this Severance Agreement.

Signature: _____ Date: _____