

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

[Date]

[Employee Name]
[Employee Address]

Subject: Phased Retirement and Severance Agreement

Dear [Employee Name],

This letter outlines the terms of your Phased Retirement plan and the subsequent Severance Offer. Our goal is to ensure a smooth transition of your responsibilities while providing you with financial support as you move toward retirement.

1. Phased Retirement Period

Your phased retirement will begin on [Start Date] and conclude on your final retirement date of [End Date]. During this period, your work schedule will be reduced to [Number] hours per week.

2. Compensation and Benefits

During the phased retirement period, your base salary will be prorated to \$[Amount] per pay period. You will remain eligible for [List benefits, e.g., health insurance, 401k contributions] through your final retirement date.

3. Severance Payment

Upon the successful completion of the phased retirement period and the signing of a general release of claims, the Company will provide you with a severance package consisting of:

- A lump sum payment of \$[Amount], equivalent to [Number] weeks of pay.
- [Optional: COBRA subsidies or other transition services].

4. Knowledge Transfer

A primary condition of this offer is your commitment to mentoring [Successor Name] and documenting all key processes associated with your role prior to [End Date].

5. Acceptance

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

We thank you for your years of dedicated service and look forward to working with you during this transition.

Sincerely,

[Name of Manager/HR Representative]
[Title]

Acknowledgment and Acceptance:

I, [Employee Name], accept the terms of the Phased Retirement and Severance Offer as outlined above.

Signature: _____ Date: _____