

[Date]

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

Subject: Mutual Agreement on Medical Disability Severance

Dear [Employee Name],

This letter confirms the mutual agreement between [Company Name] and [Employee Name] regarding the termination of your employment effective [End Date]. This separation is due to a medical disability that prevents you from performing the essential functions of your role, with or without reasonable accommodation.

As part of this mutual agreement, the company offers the following severance package:

- **Severance Pay:** A lump sum payment of \$[Amount], less applicable withholdings.
- **Benefits:** Health insurance coverage will continue until [Date]. You will receive COBRA information via separate mail.
- **Unused Leave:** Payment for [Number] days of accrued but unused vacation/PTO.

In exchange for these benefits, you agree to release [Company Name] from any and all claims related to your employment. This agreement is entered into voluntarily by both parties, acknowledging that further employment is not possible due to your current medical condition.

Please review, sign, and return this letter by [Deadline Date] to signify your acceptance of these terms.

We wish you the best in your recovery and future endeavors.

Sincerely,

[Authorized Signature]
[Name of Signatory]
[Title]
[Company Name]

Employee Acceptance:

I, [Employee Name], accept the terms of this Mutual Agreement Medical Disability Severance Letter.

Signature: _____ Date: _____