

[Company Name]  
[Company Address]  
[Date]

[Employee Name]  
[Employee Address]

**Subject: Termination of Fixed-Term Employment and Contract Buyout**

Dear [Employee Name],

This letter serves as formal notification that [Company Name] has decided to exercise the buyout provision of your fixed-term employment contract, originally scheduled to end on [Original End Date]. Your final day of employment will be [Final Working Day].

In accordance with the terms of your contract, the company will buy out the remaining duration of your term. You will receive a severance payment totaling \$[Amount], which represents the salary and benefits for the remaining [Number] months/weeks of your contract. This payment is subject to standard statutory deductions.

Please note the following details regarding your departure:

- **Final Paycheck:** Your final wages and the buyout payment will be issued on [Date] via [Payment Method].
- **Unused Leave:** You will be compensated for [Number] days of accrued but unused vacation time.
- **Company Property:** Please return all company equipment, including your laptop, keys, and security badges, by [Date].
- **Benefits:** Your health insurance and other benefits will remain active until [Date]. Information regarding COBRA or benefits extension will be sent separately.

We thank you for your contributions during your time with us and wish you success in your future endeavors.

Sincerely,

[Signature]  
[Name of Manager/HR Representative]  
[Title]

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**Employee Acknowledgment:**

I, [Employee Name], acknowledge receipt of this letter and accept the terms of the contract buyout as stated above.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_