

[Company Letterhead]

[Date]

[Employee Name]
[Employee Address]

Subject: Notification of Separation and Severance Terms

Dear [Employee Name],

As a result of a corporate restructuring, your position with [Company Name] is being eliminated, effective [Separation Date]. This letter outlines the severance package and the terms regarding your stock options.

1. Severance Pay

The Company will provide you with a severance payment of \$[Amount], equivalent to [Number] weeks of base salary. This amount is subject to standard tax withholdings and will be paid on [Date/Payment Schedule].

2. Stock Option Vesting

As of your Separation Date, your status regarding the [Year] Stock Option Plan is as follows:

- **Accelerated Vesting:** The Company has approved the immediate vesting of [Number] additional shares that would have otherwise vested through [Date].
- **Total Vested Shares:** As of the Separation Date, you will be vested in a total of [Number] shares.
- **Exercise Period:** You have [Number] days following the Separation Date to exercise your vested options. Any options not exercised by [Expiry Date] will be forfeited.
- **Unvested Options:** All remaining unvested options will terminate on your Separation Date.

3. Benefits and Outplacement

Your health insurance benefits will continue through [Date]. You will also receive [Number] months of professional outplacement services provided by [Vendor Name].

4. Release of Claims

The payment of severance and the acceleration of stock options are contingent upon your signature of the attached Separation Agreement and General Release of Claims, which must be returned by [Deadline Date].

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

Sincerely,

[Sender Name]
[Title]
[Company Name]

Acknowledgment:

I accept the terms outlined above.

Signature: _____ Date: _____