

**Date:** [Insert Date]

**To:** [Employee Name]

**Employee ID:** [Insert ID]

**Subject: Separation of Employment and Early Retirement Agreement**

Dear [Employee Name],

This letter outlines the terms of your early retirement from [Company Name], effective [Last Day of Employment].

**1. Severance Payment**

The Company will provide you with a severance payment in the gross amount of \$[Amount], less applicable withholdings. This payment will be made in [a lump sum / bi-weekly installments] starting on the first payroll period following the effective date of this agreement.

**2. Equity and Stock Options**

As part of this early retirement package, the Company agrees to the following regarding your outstanding stock options granted under the [Insert Plan Name]:

- **Continued Vesting:** Your unvested stock options will continue to vest according to the original schedule as if you remained employed through [End Date of Extended Vesting].
- **Exercise Period:** You will have until [Insert Date or Timeframe] to exercise any vested options. After this date, any unexercised options will expire.
- **Terms:** All other terms and conditions of the original Grant Agreements and the Plan remain in full force.

**3. Benefits and COBRA**

Your active employee benefits will terminate on [Date]. You will receive a separate notice regarding your right to continue health coverage under COBRA. [Optional: The company will subsidize COBRA premiums for X months].

**4. Release of Claims**

The receipt of the severance pay and the continued vesting of stock options are contingent upon your signing and not revoking the attached General Release of Claims. This release must be signed no later than [Insert Date].

**5. Return of Property**

Please return all company property, including laptops, keys, and badges, by your final day of employment.

We thank you for your years of service and wish you the best in your retirement.

Sincerely,

[Name of Authorized Representative]  
[Title]  
[Company Name]

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**Acknowledgment and Acceptance:**

I accept the terms of this early retirement and severance agreement.

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