

Date: [Insert Date]

To: [Employee Name]

Address: [Employee Address]

Subject: Agreement Regarding Mutual Separation, Severance, and Compensation Clawback

Dear [Employee Name],

This letter sets forth the terms and conditions regarding the mutual termination of your employment with [Company Name] (the "Company"), effective [Separation Date].

1. Separation of Employment: Your employment will conclude by mutual agreement. You will receive your final prorated salary and accrued vacation pay through the separation date, regardless of whether you sign this agreement.

2. Severance Payment: Provided you sign and do not revoke this agreement, the Company agrees to pay you a gross severance amount of \$[Amount], subject to applicable tax withholdings. This payment will be made within [Number] days of the effective date.

3. Compensation Clawback Provision: By signing this agreement, you acknowledge and agree that the Company reserves the right to recover (clawback) any severance payments or performance-based bonuses paid under this agreement if:

- It is discovered that you engaged in gross misconduct or fraud during your tenure.
- You breach any post-termination obligations, including non-disclosure or non-disparagement clauses.
- The Company is required to restate financial results due to material non-compliance with financial reporting requirements attributed to your actions.

4. Release of Claims: In exchange for the severance payment, you hereby release the Company from any and all claims, liabilities, or causes of action arising out of your employment or the termination thereof.

5. Confidentiality: You agree to keep the terms of this agreement and any proprietary company information strictly confidential.

6. Return of Property: You confirm that you have returned all company-owned equipment, keys, and documents.

Please indicate your acceptance of these terms by signing below and returning this letter by [Deadline Date].

Sincerely,

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

Acknowledgment and Acceptance:

I, [Employee Name], accept the terms set forth in this Mutual Separation and Compensation Clawback Letter.

Signature: _____ Date: _____