

Date: [Insert Date]

To: [Worker Name]
[Worker Address]
[City, State, Zip Code]

Subject: Final Settlement Agreement and Release of Claims

Dear [Worker Name],

This letter sets forth the terms of the settlement agreement between [Company Name] ("the Company") and [Worker Name] regarding your engagement as an independent contractor from [Start Date] to [End Date].

The Company and you have reached an agreement to resolve any potential disputes or claims arising from your classification as an independent contractor, including but not limited to claims for unpaid overtime, benefits, or taxes.

1. Settlement Amount: The Company agrees to pay you a gross total sum of \$[Amount]. This payment is comprised of the following:

- \$[Amount] as back wages (subject to applicable tax withholdings and W-2 reporting).
- \$[Amount] as liquidated damages/settlement consideration (reported via Form 1099, if applicable).

2. Payment Schedule: Payment will be issued within [Number] days of the Company receiving a signed copy of this agreement.

3. Release of Claims: In exchange for the payment mentioned above, you agree to waive and release the Company from any and all claims, known or unknown, related to your employment status, compensation, benefits, or the termination of your working relationship up to the date of this letter.

4. Confidentiality: You agree to keep the terms and amount of this settlement strictly confidential, except as required by law or for consultation with legal or financial advisors.

5. No Admission of Liability: This agreement does not constitute an admission of wrongdoing or misclassification by the Company, but represents a voluntary resolution to avoid the expense of potential litigation.

Please review this document carefully. If you agree to these terms, please sign and return the enclosed copy by [Expiration Date].

Sincerely,

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

Acknowledgment and Acceptance:

I, [Worker Name], accept the terms of this settlement and release the Company from all claims as described above.

Signature: _____ Date: _____