

MUTUAL RELEASE AND SETTLEMENT AGREEMENT

Date: [Insert Date]

Parties:

Company: [Insert Company Name], located at [Insert Address]

Individual: [Insert Worker Name], residing at [Insert Address]

1. Background

The Individual performed services for the Company as an independent contractor from [Start Date] to [End Date]. A dispute has arisen regarding the classification of the Individual's status. The parties now wish to resolve all potential claims, including but not limited to misclassification, unpaid wages, overtime, and benefits, through this settlement.

2. Settlement Payment

In consideration for the releases set forth below, the Company agrees to pay the Individual a gross total sum of \$[Insert Amount]. This payment shall be allocated as follows:

- \$[Amount] for alleged unpaid wages/overtime (subject to applicable tax withholdings and W-2 reporting).
- \$[Amount] for liquidated damages and interest (reported via Form 1099, if applicable).

3. Mutual Release of Claims

The Individual hereby releases the Company from any and all claims related to their engagement, specifically including claims under the Fair Labor Standards Act (FLSA), [Insert State Labor Code], and any other federal, state, or local laws regarding worker classification or employment. The Company likewise releases the Individual from any known claims arising from the service relationship.

4. No Admission of Liability

This agreement does not constitute an admission by the Company of any misclassification or violation of law. The Company expressly denies any wrongdoing.

5. Confidentiality

The parties agree to keep the terms and amount of this settlement strictly confidential, except as required by law or for professional tax/legal advice.

6. Governing Law

This agreement shall be governed by the laws of the State of [Insert State].

7. Signatures

For the Company:

[Name and Title]
Date: _____

Individual:

[Insert Worker Name]
Date: _____