

[Date]

[Recipient Name]  
[Recipient Title]  
[Company Name]  
[Address]

Subject: Mutual Disengagement Agreement

Dear [Recipient Name],

This letter serves as a formal agreement to mutually terminate the professional relationship between [Your Company Name] and [Recipient Company Name], effective [Date].

Following our recent discussions, both parties recognize that our strategic directions have diverged. We agree that continuing the current partnership no longer aligns with our respective long-term goals. Therefore, we have decided that a mutual disengagement is the most beneficial path forward for both organizations.

The following terms apply to this transition:

- **Final Deliverables:** All work currently in progress will be completed or handed over by [Date].
- **Outstanding Payments:** Any remaining invoices for services rendered up to the effective date will be settled by [Date].
- **Confidentiality:** Both parties agree to maintain the confidentiality of all proprietary information shared during the course of the partnership.
- **Return of Property:** All company-owned equipment, data, or materials will be returned by [Date].

We appreciate the collaboration we have shared and wish [Recipient Company Name] continued success in its future endeavors.

Please sign and return a copy of this letter to acknowledge your agreement to these terms.

Sincerely,

[Your Name]  
[Your Title]  
[Your Company Name]

Acknowledged and Agreed:

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[Recipient Name]  
[Date]