EMPLOYMENT SEPARATION AGREEMENT

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INSTRUCTIONS FOR USE

This is a general-purpose employment separation and release agreement template. Fill in the bracketed fields with your specific information. Delete any sections that do not apply. This template is provided for informational purposes only and does not constitute legal advice. Consult a licensed attorney before signing, especially for employees age 40 or older (ADEA compliance) or where significant severance is involved.

EMPLOYMENT SEPARATION AND RELEASE AGREEMENT

Effective Date: [DATE]

This Employment Separation and Release Agreement ("Agreement") is entered into as of the Effective Date by and between:

Employer:

- Name: [FULL LEGAL NAME OF EMPLOYER]
- Entity Type: [Corporation / LLC / Partnership / Sole Proprietorship]
- State of Formation: [STATE]
- Address: [STREET ADDRESS, CITY, STATE, ZIP CODE]

Employee:

- Name: [FULL LEGAL NAME OF EMPLOYEE]
- Address: [STREET ADDRESS, CITY, STATE, ZIP CODE]
- Position Title: [JOB TITLE]
- Original Hire Date: [HIRE DATE]
- Separation Date: [LAST DAY OF EMPLOYMENT]

(Collectively referred to as the "Parties" and individually as a "Party.")

1. SEPARATION OF EMPLOYMENT

The Parties agree that the Employee's employment with the Employer ended effective [LAST DAY OF EMPLOYMENT] (the "Separation Date"). After the Separation Date, the Employee shall not represent themselves as an employee, agent, or representative of the Employer for any purpose.

The reason for separation is:

[ ] Voluntary resignation
[ ] Layoff / Reduction in force
[ ] Mutual separation
[ ] Termination without cause

[ ] Other: [DESCRIBE]

2. FINAL COMPENSATION

The Employer agrees to pay the Employee the following final compensation, less applicable tax withholdings, on or before [PAYMENT DATE]:

(a) Final salary or wages earned through the Separation Date: $[AMOUNT];

(b) Accrued but unused paid time off (PTO) or vacation, where required by state law: $[AMOUNT];

(c) Earned but unpaid bonuses or commissions: $[AMOUNT];

(d) Reimbursable business expenses: $[AMOUNT].

Payment will be made by [direct deposit / check / other method] to the Employee's last-known account or address.

3. SEVERANCE PAYMENT

In addition to the final compensation above, and conditioned on the Employee's execution of this Agreement and compliance with its terms, the Employer agrees to pay severance as follows:

Severance Amount: $[AMOUNT] (gross, before tax withholdings)

Payment Schedule:

[ ] Lump sum, payable within [NUMBER] days of the Effective Date

[ ] Installments of $[AMOUNT] per pay period over [NUMBER] pay periods

[ ] Other: [DESCRIBE]

The severance payment is consideration for the Employee's release of claims set forth in Section 6. The Employee acknowledges that the severance payment exceeds any compensation the Employee would otherwise be entitled to receive.

4. BENEFITS CONTINUATION

(a) Health Insurance (COBRA): The Employee is eligible for continuation of group health coverage under COBRA. The Employer agrees to:

[ ] Pay the Employee's COBRA premium for [NUMBER] months following the Separation Date;

[ ] Provide a lump-sum payment of $[AMOUNT] toward COBRA premiums;

[ ] Provide no COBRA premium assistance — the Employee is responsible for the full premium.

(b) Retirement Plans: The Employee's [401(k) / pension / other] account vesting and rollover rights are governed by the applicable plan documents. The Employer will provide information about rollover options within [NUMBER] days of the Separation Date.

(c) Equity Awards: Treatment of any unvested equity (stock options, RSUs, restricted stock) is governed by the applicable equity plan and grant agreements. [DESCRIBE ANY MODIFICATIONS, IF AGREED].

(d) Other Benefits: Any other benefits not specifically addressed in this Agreement will terminate as of the Separation Date in accordance with the applicable plan documents.

5. RETURN OF COMPANY PROPERTY

The Employee agrees to return all property of the Employer in their possession or control within [NUMBER] days of the Separation Date, including but not limited to:

- All physical equipment (laptops, phones, tablets, badges, keys, parking passes);
- All confidential and proprietary information in any form (printed documents, digital files, USB drives, cloud account credentials);
- All client lists, customer contacts, vendor lists, and contracts;
- All work product, code repositories, designs, manuscripts, and intellectual property created during employment;
- Company-issued credit cards, expense cards, and any unused petty cash.

The Employee further agrees to permanently delete all Employer-related information from any personal devices, cloud accounts, or email accounts under the Employee's control.

6. RELEASE OF CLAIMS

In consideration of the severance payment in Section 3, the Employee, on behalf of themselves, their heirs, executors, administrators, successors, and assigns, hereby releases and forever discharges the Employer, its officers, directors, employees, agents, parent companies, subsidiaries, affiliates, insurers, and successors (collectively, the "Released Parties") from any and all claims, demands, causes of action, suits, debts, dues, damages, costs, attorney's fees, and liabilities of any kind, whether known or unknown, that the Employee has, may have had, or may in the future have against the Released Parties arising from or relating to the Employee's employment or the termination of employment with the Employer.

This release includes, but is not limited to, claims arising under:

(a) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, national origin);

(b) The Americans with Disabilities Act (ADA);

(c) The Age Discrimination in Employment Act (ADEA) — including the Older Workers Benefit Protection Act (OWBPA) for employees age 40 or older;

(d) The Family and Medical Leave Act (FMLA);

(e) The Fair Labor Standards Act (FLSA);

(f) The Equal Pay Act;

(g) Section 1981 of the Civil Rights Act of 1866;

(h) State and local employment laws, including but not limited to [STATE] anti-discrimination, wage and hour, and wrongful termination laws;

(i) Any common-law claims, including wrongful discharge, breach of contract, breach of the implied covenant of good faith and fair dealing, intentional or negligent infliction of emotional distress, defamation, fraud, misrepresentation, invasion of privacy, and tortious interference;

(j) Any claims for unpaid wages, salary, bonuses, commissions, vacation, severance, benefits, or other compensation;

(k) Any claims for attorney's fees, costs, or expenses.

Excluded from this Release: This release does not waive (i) workers' compensation claims that cannot be waived under [STATE] law; (ii) unemployment insurance claims; (iii) the Employee's right to file a charge or complaint with any federal, state, or local government agency (although the Employee waives the right to receive monetary recovery from any such charge); (iv) any claims arising after the Effective Date of this Agreement; and (v) any other claims that cannot be released as a matter of law.

7. ADEA NOTICE (FOR EMPLOYEES AGE 40 OR OLDER)

If the Employee is age 40 or older as of the Separation Date, the following provisions apply:

(a) The Employee is advised in writing to consult with an attorney before signing this Agreement;

(b) The Employee has [21 / 45] days from the date of receipt of this Agreement to consider whether to sign it. If the Agreement is offered as part of a group termination program, the consideration period is 45 days, and the Employee will receive additional information about the eligibility factors and the ages of all individuals selected and not selected for the program;

(c) After signing this Agreement, the Employee has 7 calendar days to revoke acceptance by delivering written notice of revocation to [REVOCATION CONTACT NAME AND ADDRESS]. The Agreement does not become effective or enforceable until the revocation period has expired without revocation.

The Employee acknowledges that the Employee has received the consideration period and revocation period required by the OWBPA.

8. CONFIDENTIALITY OF THIS AGREEMENT

The Employee agrees to keep the terms of this Agreement confidential and not to disclose them to any person other than the Employee's spouse, attorneys, tax or financial advisors, or as required by law.

This confidentiality provision shall not prevent the Employee from:

(a) Disclosing the existence of this Agreement (but not its specific terms) when reasonably necessary;

(b) Reporting illegal activity to government agencies;

(c) Participating in government investigations;

(d) Discussing wages, hours, or working conditions with other employees as protected under the National Labor Relations Act (NLRA);

(e) Disclosing information about sexual harassment, discrimination, or retaliation claims to the extent such disclosure is protected by federal or state law (including the Speak Out Act).

9. NON-DISPARAGEMENT

(a) Employee's Obligation: The Employee agrees not to make any disparaging or defamatory statements about the Employer, its officers, directors, employees, products, services, or business practices, whether orally, in writing, on social media, or in any other form, to any third party.

(b) Employer's Obligation: The Employer agrees that its officers and human resources personnel will not make any disparaging or defamatory statements about the Employee, and will respond to inquiries from prospective employers with only the Employee's dates of employment and job title (a "neutral reference").

(c) Nothing in this section prevents either Party from:

- Providing truthful testimony in any legal proceeding;
- Responding truthfully to inquiries from government agencies;
- Reporting illegal activity or whistleblowing as protected by law;
- Making truthful statements in connection with workers' compensation or unemployment insurance claims.

10. NON-COMPETE AND NON-SOLICITATION (OPTIONAL — DELETE IF NOT APPLICABLE)

(a) Non-Compete: For a period of [NUMBER] months following the Separation Date, the Employee agrees not to engage in any business that directly competes with the Employer in [GEOGRAPHIC AREA] in the field of [DESCRIBE BUSINESS].

(b) Non-Solicitation of Customers: For a period of [NUMBER] months following the Separation Date, the Employee agrees not to solicit business from any customer the Employee personally serviced during the last [NUMBER] months of employment.

(c) Non-Solicitation of Employees: For a period of [NUMBER] months following the Separation Date, the Employee agrees not to recruit, solicit, or hire any current employee of the Employer.

The Parties agree that these restrictions are reasonable in scope, duration, and geographic area, and are necessary to protect the Employer's legitimate business interests. If any court finds any restriction unreasonable, the court shall modify it to the maximum extent permitted by law.

11. REFERENCE AND COOPERATION

(a) References: The Employer agrees to respond to all reference inquiries through its human resources department, providing only the Employee's dates of employment and job title.

(b) Transition Cooperation: For a period of [NUMBER] days following the Separation Date, the Employee agrees to reasonably cooperate with the Employer in the transition of the Employee's job responsibilities, including answering questions by phone or email at no additional cost.

(c) Legal Cooperation: The Employee agrees to cooperate with the Employer in any legal proceedings or investigations relating to events that occurred during the Employee's employment, including providing truthful testimony if subpoenaed.

12. NO ADMISSION OF LIABILITY

This Agreement is not, and shall not be construed as, an admission by either Party of any liability or wrongdoing. The Parties enter into this Agreement to resolve any potential disputes amicably and avoid the cost and uncertainty of litigation.

13. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be governed by and construed in accordance with the laws of the State of [STATE], without regard to its conflict-of-law principles. Any disputes arising out of or relating to this Agreement shall be resolved as follows:

[ ] By binding arbitration administered by [American Arbitration Association / JAMS] in [CITY, STATE], with each Party bearing its own attorney's fees and costs (subject to applicable state law);

[ ] Exclusively in the state or federal courts located in [COUNTY/CITY], [STATE], with the Parties consenting to personal jurisdiction in those courts;

[ ] As provided by applicable state law.

14. MISCELLANEOUS

(a) Entire Agreement: This Agreement constitutes the entire agreement between the Parties concerning the subject matter and supersedes all prior agreements, discussions, and understandings.

(b) Amendments: No modification of this Agreement shall be valid unless in writing and signed by both Parties.

(c) Severability: If any provision of this Agreement is found to be unenforceable, the remaining provisions shall remain in full force and effect.

(d) Waiver: Failure to enforce any provision of this Agreement shall not constitute a waiver of that provision or any other provision.

(e) Assignment: Neither Party may assign this Agreement without the prior written consent of the other Party.

(f) Counterparts: This Agreement may be executed in counterparts, including by electronic signature, each of which shall be deemed an original.

(g) Voluntary Execution: The Employee acknowledges that they have read and understood this Agreement, have had the opportunity to consult with an attorney, and are signing voluntarily.

SIGNATURES

This Agreement may be executed in counterparts, each of which shall be deemed an original.

Employer:

Signature: ____

Printed Name: [FULL LEGAL NAME]

Title: [TITLE OF AUTHORIZED REPRESENTATIVE]

Date: ____

Employee:

Signature: ____

Printed Name: [FULL LEGAL NAME]

Date: ____

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