# Severance Agreement

**Purpose:** This Severance Agreement outlines the mutually agreed-upon terms of separation between an employer and an employee. It details compensation, release of claims, and other relevant conditions applicable upon termination of employment.

## 1. Parties

This Severance Agreement ("Agreement") is entered into by and between **{employeeName}** ("Employee") and **{employerName}** ("Employer"), collectively referred to as the "Parties".

## 2. Termination of Employment

The employment relationship between the Parties will terminate effective **{terminationDate}**. This termination shall be considered {terminationReason}.

## 3. Severance Payment

The Employer agrees to pay the Employee a severance amount of **${severanceAmount}**, less applicable taxes and withholdings. This amount will be paid in a lump sum within **{paymentPeriod}** days following the execution of this Agreement.

## 4. Compensation and Benefits

* **Unused Vacation:** Employee will be paid for {vacationDaysRemaining} unused vacation days.
* **Health Insurance:** {#hasHealthCoverage}Health coverage will continue through **{healthCoveragePeriod}** under COBRA.{/hasHealthCoverage}{^hasHealthCoverage}No continuation of health coverage will be provided.{/hasHealthCoverage}
* **Final Paycheck:** Final paycheck covering all wages through **{terminationDate}** will be issued on **{finalPaycheckDate}**.

## 5. Return of Company Property

Employee agrees to return all company-owned property, including but not limited to laptops, mobile devices, ID cards, documents, and any confidential materials, by **{propertyReturnDate}**.

## 6. Non-Disclosure and Confidentiality

Employee acknowledges and agrees to maintain the confidentiality of all proprietary information both during and after the termination of employment, as per the confidentiality agreement previously signed on **{confidentialityAgreementDate}**.

## 7. Release of Claims

Employee releases and forever discharges Employer and its affiliates from any and all claims, liabilities, and obligations arising out of or connected with Employee’s employment or termination, including but not limited to any claim under federal, state, or local law.

## 8. Non-Disparagement

The Employee agrees not to make any derogatory, disparaging, or defamatory statements regarding the Employer, its management, or employees to any third party.

## 9. References

{#referencePolicy}

The Employer will provide a reference in the form of **{referenceType}** upon request. All verification will be done through **{contactPerson}** at **{contactDetails}**.

{/referencePolicy}

## 10. Acknowledgement and Voluntary Agreement

Employee acknowledges that:

* They have carefully read and understand this Agreement.
* They have had the opportunity to consult with legal counsel.
* They enter into this Agreement freely and voluntarily.

## 11. Signatures

|  |  |  |
| --- | --- | --- |
| **Party** | **Name** | **Signature Date** |
| {#signatures}Employee | {employeeName} | {employeeSignedDate}{/signatures} |
| {#signatures}Employer Representative | {employerRepName} | {employerSignedDate}{/signatures} |

*This Agreement constitutes the entire understanding between the Parties and supersedes all prior discussions or agreements regarding the subject matter herein.*