

Severance Agreement

- 🔊 Depending upon your employment policies you may or may not need to offer severance at all let alone need a severance agreement. Nevertheless, if/when you find your self in this predicament, this comprehensive letter should do the trick for you.
- 🔊 If you need an employee policies manual, please take a look at our EmployeeManualBuilder software. It covers 200+ policies and really helps you get a handle on your employees.
- 🔊 The Severance Acceptance agreement includes a variety of provision as examples, but we don't believe that you need to use all of them – in fact, keep it to a minimum yet maintain the disclaimers to prevent any unwanted future legal action(s).

Date **[Month, Day, Year]**

To:  **[Employee Name]**

From: **[Owner/Founder]**
[Company]

Subject: **Severance Acceptance Agreement**

Attached is the “Severance Acceptance” agreement in order to complete the termination of your employment with us.

I believe that it embodies everything we discussed.

Please read the agreement carefully.

We recommend that you also have it reviewed by your own qualified legal counsel.

Time is of the essence.

Please sign and return it to me asap.

Thank you very much!


From JIAN

NOTICE:

We wish we could provide an agreement that was tailored *exactly* to your business. While this is not always possible, we feel that we've come very close and that this document provides you with the head-start that you need to get your deal moving. Nevertheless, we must make this disclaimer:

- 🔊 **Do Not Use This Agreement 'As-Is.'**
- 🔊 **This Agreement Is Not Legal Advice.**
- 🔊 **Read it Thoroughly and Make All Appropriate Changes to Fit Your Requirements.**
- 🔊 **You Should Have this Agreement Reviewed and Approved by a Qualified Attorney at Law Before Using It.**
- 🔊 **JIAN Accepts No Liability for the Effectiveness of This Document For Your Purposes.**

Free Access to Attorneys, Accountants & Consultants in Your Area

We're building a network of  business experts who are eager to help you when you need it. They can review your work, make suggestions, handle unique situations and introduce you to influential people. On our website you can search by expertise and location, then e-mail or jump straight to their website. Although they are professionals and charge for their services, most offer an initial consultation free of charge. They're in your area and you can contact them directly.


- Please visit our website under [Expert Referral Network](#).

Ongoing Update Service Keeps You Current


Things change, laws change, the world changes... new ideas come along all the time. When you register, you can access our website to get updates and changes... like new and improved spreadsheets and documents. They can be downloaded directly to your computer.

- Please visit our website under [Updates](#).
- Remember to bookmark our website: www.JIAN.com

Editing Your Sample Contract

Since this entire agreement is formatted in Word, you can edit it like any other Word document. You can jump from variable to variable by clicking the above  green arrows (JIAN Menu) which will take you forward / backward and highlight the entire sample text identified within the “[]” brackets – simply edit / type-over with your information.

To make sure you have filled in all the variables, use Word's 'FIND' function to locate any “[]” which may contain an unedited variable.

- Click the  icon in the JIAN menu above to turn the expert comments on/off.
- Upon completion, delete any unnecessary blank lines that remain.
- You may format this document any way you like.
- Delete this page.

[Company Legal Name]

[Address] * [City], [State] [Zip Code]

[Telephone] * [WebSite Address]

- 🔊 The following letter should be edited as appropriate, and can be used in conjunction with the "Termination Letter" also included in JIAN AgreementBuilder.
- 🔊 You do not need to use all of the options!
- 🔊 Because this document is intended to be used as an agreement with significant legal implications, it is very important that you have it reviewed by your attorney before presenting it to a departing employee.
- 🔊 Make sure that the dollar amounts, dates and time periods are consistent with the "Termination Letter". Please remember to delete these and other comments in blue below before printing.

[Month Date, Year]



[Employee]

[Address]

[City, State Zip]

Dear [Employee Name],

Severance Acceptance Agreement

[Employee] and [Company] entered into, and have continued working under, the provisions of a written employment agreement, dated [Date]. (Attached)

[Employee] and [Company] now desire to terminate the Employment Agreement and the employment relationship between them, and agree as follows:

1. [Employee]'s termination as an employee of [Company] is effective at the end of the regular work day on [Date]. All authority to discharge contracts, agreements, personnel activities, or to perform any duties as an employee is terminated.
2. [Company] will pay [Employee] severance pay at his regular salary:
[\$[x] / month; \$[x] per bi-weekly pay period] for [x] weeks from the above date.
3. [Company] owes and will pay [Employee] \$[x] in bonus from [Date].
4. [Company] will pay [Employee] accrued vacation and personal time amounting to \$[x].
5. [Company] will compensate [Employee] for the use of his automobile during the months of [beginning month] through [ending month] at \$[x] / month.
6. Payments for the above items 2, 3, and 4 will be made in equal bi-weekly payments, less the required deductions, with the first check to be paid [Date] with final payment to be paid [Date]. [Employee] will not be asked to work for [Company] while receiving salary continuation.
7. [Company] will continue to pay 100% of [Employee]'s group medical insurance for [Employee] and dependents, through [Date], in accordance with [Company]'s regular policies.
8. [Employee]'s option to purchase Common Stock in [Company] as described in the [Company] Employee Stock Option Plan shall vest according to the [Company] Employee Stock Option Plan

Agreement.

9. [Employee] shall return any records, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, documents, property, or reproductions of any aforementioned items belonging to [Company].

10. [Company] and [Employee] agree to keep the fact, terms, and amount of this Agreement confidential and neither party will hereafter disclose any information concerning this Agreement to anyone, except to legal and accounting advisors and except as may be required by law and as is necessary for legitimate enforcement or compliance purposes.

11. Both parties unconditionally release and absolutely discharge the other party (and any affiliates, shareholders, directors, employees, agents, attorneys, legal successors or heirs), from any and all claims, actions and causes of action, including but not limited to: any claims of wrongful discharge; any claims of breach of duty, breach of contract, or tort; any claims of discrimination; or any other claims or alleged claims arising out of, related to or incidental to [Employee]'s employment with [Company] or termination thereof or the Employment Agreement.

12. The execution of this Agreement shall not be construed as an admission of a violation of any statute or law or a breach of any duty or obligation by either party to this agreement.

13. [Employee] represents that he has reviewed all aspects of this Agreement, that he has carefully read and fully understands all of the provisions of this Agreement, that he understands that in agreeing to this document, he is releasing [Company], with prejudice, from any and all claims he may have against [Company], that he voluntarily agrees to all the terms set forth in this Agreement, and that he knowingly and willingly intends to be legally bound by these terms. He further acknowledges that he has or has had the opportunity to review it with an attorney.

14. [Company] and [Employee] agree that this Agreement shall be governed by, and interpreted in accordance with, the laws of the State of [State].

15. In the event that a provision of this Agreement, or any portion thereof, is judicially determined to be unenforceable as written, such provision shall be construed so as to give it the maximum effect permitted under applicable law.

16. This Agreement constitutes the entire agreement between [Company] and [Employee] with respect to the subject matter of this Agreement and supersedes all prior negotiations and agreements, whether written or oral. This Agreement may not be altered or amended except by a written document executed by all of the parties.

Understood, Agreed & Approved

We have carefully reviewed this contract and agree to and accept all of its terms and conditions. We are executing this Agreement as of the Effective Date above.

Company

Employee

[Owner/Founder], [Title]
[Company]

[Employee]