SEVERANCE AGREEMENT

1. 1. Parties and Separation Date

This Severance and Release Agreement (the "Agreement") is entered into between [COMPANY NAME], a [ENTITY TYPE] located at [COMPANY ADDRESS] (the "Company"), and [EMPLOYEE NAME], residing at [EMPLOYEE ADDRESS] (the "Employee"). The employment of the Employee with the Company ends effective [SEPARATION DATE] (the "Separation Date"). The reason for separation is recorded as [SEPARATION REASON, e.g., position elimination, mutual agreement, resignation]. This Agreement is offered to the Employee on [OFFER DATE] and becomes effective as described in Section 10. The Employee is not required to sign this Agreement, and the Employee is encouraged to review it carefully and to consult an attorney before doing so.

2. 2. Final Wages and Accrued Benefits

Regardless of whether the Employee signs this Agreement, the Company will pay the Employee all wages earned through the Separation Date and all accrued and unused paid time off that is payable under Company policy and applicable state law, in the amount of [FINAL WAGES AMOUNT], on the schedule required by the law of the state where the Employee worked. The Company will also reimburse all approved and documented business expenses submitted by [EXPENSE SUBMISSION DEADLINE]. These amounts are owed independently and are not consideration for the release in this Agreement. Participation in Company benefit plans ends on [BENEFITS END DATE] in accordance with the terms of each plan. Any vested benefit under a retirement plan remains subject to the terms of that plan and is not affected by this Agreement.

3. 3. Severance Payment

In exchange for the promises in this Agreement, including the release in Section 6, and provided the Employee signs this Agreement and does not revoke it, the Company will pay the Employee severance of [SEVERANCE AMOUNT, e.g., NUMBER weeks of base pay, totaling AMOUNT], less all legally required withholdings and deductions. Severance will be paid [PAYMENT STRUCTURE, e.g., in a lump sum within 15 days after the Effective Date / in equal installments on the regular payroll schedule beginning with the first payroll after the Effective Date]. The Employee acknowledges that this payment is in addition to anything the Employee is already entitled to receive and would not be provided without this Agreement. Severance is reported as wages on a Form W-2, and the Employee is responsible for any tax consequences beyond required withholding. The Company makes no representation about the tax treatment of any payment under this Agreement.

4. 4. Group Health Coverage and COBRA

Group health coverage for the Employee and any covered dependents ends on [COVERAGE END DATE]. The Employee will receive separate written notice of the right to continue group health coverage under the Consolidated Omnibus Budget Reconciliation Act or any comparable state continuation law, and that notice, together with the applicable plan documents, governs all continuation rights. [SUBSIDY OPTION: If the Employee timely elects continuation coverage, the Company will pay or reimburse the employer portion of the premium for SUBSIDY PERIOD, e.g., three months, or until the Employee becomes eligible for coverage through another employer, whichever occurs first.] The Employee will notify the Company promptly on becoming eligible for other group coverage. Nothing in this Agreement extends coverage beyond what the applicable plan and law permit, and any subsidy ends if continuation coverage lapses.

5. 5. Equity, Bonus, and Commission Treatment

Any outstanding equity award held by the Employee is governed by the applicable equity plan and grant agreement. As of the Separation Date, the Employee holds [EQUITY SUMMARY, e.g., NUMBER vested options at an exercise price of AMOUNT], and the post-termination exercise period ends on [EXERCISE DEADLINE], after which unexercised awards expire. Unvested awards are forfeited as of the Separation Date unless the plan or a written amendment provides otherwise. [BONUS TREATMENT, e.g., The Employee will receive a prorated annual bonus of AMOUNT / The Employee is not eligible for any bonus for the current plan year.] Any earned but unpaid commission will be paid in accordance with the applicable commission plan and applicable state wage law on [COMMISSION PAYMENT DATE]. The Employee acknowledges having received all information reasonably necessary to understand the treatment of these items.

6. 6. General Release of Claims by Employee

In exchange for the consideration described in Section 3, the Employee, on behalf of themselves and their heirs, executors, and assigns, releases and forever discharges the Company and its parents, subsidiaries, affiliates, successors, and their respective officers, directors, employees, agents, insurers, and benefit plans (together, the "Released Parties") from any and all claims, demands, causes of action, and liabilities of any kind, whether known or unknown, that the Employee has or may have arising out of or relating to the employment of the Employee or its termination, up to and including the date the Employee signs this Agreement. This release includes, without limitation, claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Employee Retirement Income Security Act, the Fair Labor Standards Act to the extent waivable, the Worker Adjustment and Retraining Notification Act, and all comparable state and local statutes, as well as all claims for breach of contract, wrongful discharge, defamation, emotional distress, and any other common law claim. The Employee expressly waives any protection under any statute providing that a general release does not extend to claims the releasing party does not know or suspect to exist at the time of signing, to the fullest extent permitted by law.

7. 7. Claims Not Released and Protected Rights

This Agreement does not release any claim that cannot be waived as a matter of law. Specifically, the Employee does not release: the right to file a claim for unemployment insurance or workers compensation benefits; any claim for vested benefits under a retirement or welfare plan; any right to indemnification, advancement, or coverage under a directors and officers policy or applicable law; any claim arising after the date the Employee signs this Agreement; and any right to enforce this Agreement. Nothing in this Agreement prevents the Employee from filing a charge with or participating in an investigation conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission, the Occupational Safety and Health Administration, or any other federal, state, or local agency, or from reporting a suspected violation of law, without notice to the Company. The Employee does, however, waive the right to recover individual monetary relief from any such charge or proceeding, except that the Employee may receive and keep any government whistleblower award.

8. 8. No Admission of Liability and No Pending Claims

This Agreement is not and will not be construed as an admission by the Company or any Released Party of any wrongdoing, liability, or violation of any law, policy, or agreement, and all such liability is expressly denied. The Employee represents that they have not filed and have not assigned to any other person any complaint, charge, claim, or lawsuit against any Released Party with any court or agency, other than any charge disclosed in writing to the Company before signing. The Employee further represents that they have reported all workplace injuries and all suspected violations of law of which they are aware, have received all wages, overtime, commissions, and leave to which they are entitled through the Separation Date, and are not aware of any unreported claim for unpaid compensation. If any of these representations is inaccurate, the Employee will notify the Company in writing before signing.

9. 9. Confidentiality, Non-Disparagement, and Continuing Obligations

The Employee will keep the terms and the amount of this Agreement confidential and will not disclose them except to their spouse or domestic partner, attorney, tax advisor, or financial advisor, or as required by law or legal process. Each Party will refrain from making disparaging statements about the other; for the Company this obligation applies to [COMPANY SPOKESPERSONS, e.g., the officers and human resources representatives identified in Exhibit A] rather than to every employee. Nothing in this Section limits the right of the Employee to discuss wages, hours, or working conditions with coworkers, to communicate with a government agency, to respond truthfully to a subpoena or lawful inquiry, or to disclose the underlying facts of any conduct the Employee reasonably believes to be unlawful discrimination, harassment, or retaliation. The Employee remains bound by any previously signed confidentiality, invention assignment, non-solicitation, or non-compete agreement, which continues in effect according to its own terms as listed in Exhibit B.

10. 10. Review Period, Revocation, and Effective Date

If the Employee is 40 years of age or older, the Employee is advised in writing to consult an attorney before signing and is given [REVIEW PERIOD, e.g., 21 days for an individual separation or 45 days for a group termination program] from the Offer Date to consider this Agreement. The Employee may sign before the end of that period, and any change to this Agreement, whether material or not, does not restart the review period. After signing, the Employee may revoke this Agreement within seven calendar days by delivering written notice of revocation to [REVOCATION CONTACT NAME, TITLE, ADDRESS, AND EMAIL] before the end of the seventh day. This Agreement becomes effective and enforceable on the eighth day after the Employee signs it, provided it has not been revoked (the "Effective Date"), and no severance will be paid before the Effective Date. If this Agreement is offered as part of a group termination program, the disclosures required by the Older Workers Benefit Protection Act, including the decisional unit, eligibility factors, and the ages and job titles of selected and non-selected individuals, are attached as Exhibit C.

11. 11. Return of Property, Transition, and References

On or before the Separation Date, the Employee will return all Company property, including laptops, phones, badges, keys, credit cards, documents, and all copies of Company data stored on personal devices or accounts, and will provide any credentials needed for the Company to access its own systems. The Employee will cooperate reasonably with the transition of their duties and, on request, will provide truthful information and reasonable assistance in connection with any investigation, audit, or legal proceeding relating to matters the Employee handled, with the Company reimbursing reasonable out-of-pocket expenses and, where cooperation is substantial, paying [COOPERATION RATE] for time spent after the Separation Date. In response to reference inquiries, the Company will provide [REFERENCE PRACTICE, e.g., dates of employment, position held, and, with written authorization from the Employee, final compensation], directing inquiries to [REFERENCE CONTACT].

12. 12. Governing Law, Entire Agreement, and General Provisions

This Agreement is governed by the laws of the State of [GOVERNING STATE], without regard to conflict of laws rules, and any action to enforce it will be brought in the state or federal courts located in [VENUE COUNTY AND STATE]. This Agreement, with its exhibits, is the entire agreement between the Parties regarding the separation and replaces all prior discussions and understandings on that subject, except for the continuing obligations identified in Section 9, which remain in effect. This Agreement may be amended only in a writing signed by both Parties, and no oral statement may modify it. If any provision other than the release in Section 6 is found unenforceable, the remainder stays in effect; if the release is found unenforceable as to a particular claim, the

Employee agrees to repay a proportionate amount of the severance or to execute a valid replacement release, to the extent permitted by law. The Parties intend that any payment under this Agreement be exempt from or compliant with Section 409A of the Internal Revenue Code, and this Agreement will be interpreted accordingly.

13. 13. Acknowledgment and Signatures

By signing below, the Employee acknowledges that they have read this Agreement in full, that they understand it including the release of claims in Section 6, that they were advised in writing to consult an attorney, that they were given the review period described in Section 10, and that they are signing knowingly and voluntarily without coercion or reliance on any promise not written in this Agreement. COMPANY: [COMPANY NAME]. Signature: ______________________. Printed Name: [COMPANY SIGNER NAME]. Title: [TITLE]. Date: [DATE]. EMPLOYEE: Signature: ______________________. Printed Name: [EMPLOYEE NAME]. Date Signed: [DATE]. Date this Agreement was first provided to the Employee: [OFFER DATE]. Electronic signatures and counterpart copies have the same effect as original signatures.

14. Disclaimer

This template is provided for general informational purposes only and is not legal advice. Severance and release agreements are governed by overlapping federal and state requirements, including the Older Workers Benefit Protection Act for employees 40 and older, group termination disclosure rules, state limits on confidentiality and non-disparagement terms in agreements involving harassment or discrimination claims, wage payment deadlines, and Section 409A timing rules. An improperly drafted release may be unenforceable while the payment is still owed. Have a licensed employment attorney review this document before offering or signing it. Use of this template does not create an attorney-client relationship with ScanContract.