# <u>OVER 40 SEPARATION LETTER AND GENERAL RELEASE</u> <u>WASHINGTON STATE ONLY; MUST BE REVISED FOR GROUP TERMINATION (2 OR</u> <u>MORE)</u>

# [CAUTION: DIFFERENT RELEASES ARE REQUIRED DEPENDING ON SITUATION. DO NOT USE THIS SEPARATION AGREEMENT FOR OTHER SEPARATIONS UNLESS FIRST REVIEWED BY COUNSEL.]

# [DATE]

[Name] [Address]

Re: Separation from Employment

Dear [Name]:

This letter summarizes the terms of your separation.

1. <u>Date of Separation</u>. Your employment with [company] will terminate on [date].

2. <u>Salary/Accrued Vacation/[Severance Pay]</u>. You will be paid all outstanding salary and accrued vacation pay due and owing, less applicable withholding, through [date]. [In addition, you will receive [insert number] weeks severance pay less applicable withholding.] (*Use bracketed portion <u>only</u> if you are giving employee some severance pay <u>not</u> conditioned on release.)* 

3. <u>Health/Retirement Benefits</u>. **[Company]** will pay your health benefits through **[date].** You may thereafter elect to continue your health insurance through COBRA. You will receive information explaining your options under **[company]**'s **[title of retirement plan]** and your health insurance continuation coverage rights under COBRA under separate cover.

4. <u>Nondisclosure/Noncompete Agreement</u>. [Reference obligations under any existing nondisclosure/noncompete agreement]. You are reminded of your obligations under [title of agreement] dated [date].

5. <u>References</u>. We will inform any future prospective employer that our policy is to only confirm dates of employment and rate of pay and that you left our employ on mutually acceptable terms.

6. <u>Unemployment Benefits</u>. **[Company]** will not contest your truthful application for unemployment benefits.

7. <u>Company Property</u>. You agree to return all company property in your possession including, but not limited to, **[DESCRIBE]**.

8. <u>Optional Severance Package Offer</u>. At your option, you may elect to receive a [severance package consisting of **[insert weeks/months]** severance pay less applicable withholding [in addition to the severance payment set out in paragraph 2]. In addition, **[insert any additional components to severance package**]. Since this severance package is in excess of that which **[Company]** would normally offer, this option is conditioned on the execution of a General Release and Agreement in the form attached as Exhibit A. You have the right to consult with an attorney concerning this severance offer and the General Release and Agreement.

9. <u>Time for Consideration of Optional Severance Package</u>. In accordance with the Older Worker's Benefits Act you have 21 days from the date of receipt of this letter to consider the optional severance package and sign the attached General Release and Agreement. You acknowledge that you received this letter and attached General Release and Agreement on the receipt date indicated below. You further agree that subsequent changes to the optional severance package, if any, will not restart the running of the 21-day period. In the event you have not executed the General Release and Agreement by the expiration of the 21-day period, the optional severance package offer made in this letter will expire.

If you accept the optional severance package offer, please indicate your acceptance by signing this letter and the attached General Release and Agreement and returning both to [name and address] within the 21-day period. [Where the employee is getting the offer of severance before his or her last day of employment, add the following: [You should not sign the General Release and Agreement , however, before your date of separation from employment, [date].]] You will then have a period of seven days from the date immediately following the date of your execution of the General Release and Agreement in which you may revoke, at your sole discretion, your acceptance of the severance package offer and the General Release and Agreement. Notice of revocation must be made by you in writing addressed to [name and address]. In the event you do not exercise your right to revoke the General Release and Agreement and severance package, it shall become effective on the date immediately following the 7-day revocation period described above.

10. <u>Purpose</u>. The optional severance proposed in this letter is for the purpose of insuring an amicable separation and resolving any and all potential disputes, claims or differences between you and **[Company]**. It is not to be construed as an admission of any sort by either party. Nor should it be viewed as establishing precedent for future employee separations.

	Sincerely,
	[Company]
	Ву
Offer Received:, 20	
[Employee Name]	
C · ·	

[EXECUTION INSTRUCTIONS: Have employee sign and date offer received section and make copy for your file; then give him back original plus General Release and Agreement to take with him and return. In the alternative, make two copies of the letter, have him sign offer received on yours]

### Exhibit A

#### **GENERAL RELEASE AND AGREEMENT**

This General Release and Agreement is made and executed by **[employee]** in connection with my separation from employment with **[company]** and in consideration of my receiving a severance payment in the amount of **[amount]** less standard deductions, and in further consideration of **[insert other components of severance package]**.

I, **[employee]**, hereby release **[company]**, its officers, directors, employees, agents, insurers and related corporations (collectively "**[company]**") from any and all liability, damages or causes of action, whether known or unknown, relating to my employment with **[company]** or the termination of that employment, or any other acts or events involving **[company]**, to the date of this General Release and Agreement. This General Release and Agreement includes, but is not limited to, any claims for additional compensation in any form, damages, reemployment or reinstatement. This Release specifically includes, but is not limited to, all claims for relief or remedy under any federal, state or local law, including but not limited to, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Equal Pay Act, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Uniform Service Employment and Reemployment Rights Act ("USERRA") and the civil rights, employment and wage and hour laws of the State of Washington, and any applicable contract, tort, constitutional, or common law theories. **[This clause must be tailored to the situation.]** 

I affirm that I have no claims and am aware of no facts that would form the basis of a claim for unpaid wages under the Fair Labor Standards Act.

I agree not to seek any personal recovery (of money damages, injunctive relief or otherwise) for the claims I am releasing herein. I further agree to dismiss any pending lawsuits relating to claims that I have released herein and not to start any lawsuit or arbitration asserting any of the claims I am releasing in this General Release and Agreement.

This General Release and Agreement shall not affect vested rights, if any, which I may have under any health and disability insurance plans or retirement plan maintained by **[company]**.

[During my employment with [company] I had access to certain confidential and proprietary information of [company] including, but not limited to, information concerning [company] customers and products. I agree that I will keep this information confidential and will not disclose this information to any third party.] (*Use bracketed portion <u>only</u> if no prior nondisclosure agreement*.)

I **[further]** agree to keep the fact and terms of the optional severance package that I have been offered and accepted, confidential. I agree not to disparage **[company]** to third parties.

I have read this General Release and Agreement and understand its effect. I acknowledge and understand that I am releasing legal rights that I may have against my employer, including rights under the Age Discrimination in Employment Act. In accordance with the Older Workers' Benefit Protection Act (the "Act"), I acknowledge that I have been advised in writing to consult with an attorney prior to executing this General Release and Agreement; and that as consideration for executing this General Release and Agreement, I have received additional compensation [and benefits] to which I would not otherwise be entitled.

In accordance with the Act, **[company]** offered me a separation payment **[and (insert other components of severance package)]** as provided above in connection with the termination of my employment on **[date]** and the offer provided me with a period of 21 days from the date of receipt for consideration of the offer. I further agreed that any changes to the offer would not restart the running of the 21-day period. I acknowledge that I received the offer on **[date]** and that in the event I have not executed this General Release and Agreement by the expiration of the 21-day time period on \_\_\_\_\_\_, the offer shall expire. **[Where the employee is getting the offer of severance before his or her last day of employment, add the following: [I understand I should not sign this General Release and Agreement before the date of my separation from employment, [date].]] I further acknowledge that I have a period of seven days from the date immediately following the date of execution of this General Release and Agreement by written notice to <b>[name and address]**. In the event I do not exercise my right to revoke this General Release and Agreement Release and Agreement period to not exercise my right to revoke this General Release and Agreement Release and Agreement period to not exercise my right to revoke this General Release and Agreement Release and Agreement period to not exercise my right to revoke this General Release and Agreement period to not exercise my right to revoke this General Release and Agreement period to not exercise my right to revoke this General Release and Agreement period to not exercise my right to revoke this General Release and Agreement period above.

Every provision of this General Release and Agreement is intended to be severable. In the event a court or agency of competent jurisdiction determines that any term or provision contained in this General Release and Agreement is illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect the other terms and provisions of this General Release and Agreement which shall continue in full force and effect.

This General Release and Agreement shall be construed in accordance with, and governed by, the statutes and common law of the State of Washington.

DATED this \_\_\_\_\_ day of \_\_\_\_\_\_, 20\_\_\_.

[EMPLOYEE NAME]