

**Note:** This template was written for employers in the state of California and is for reference only. You should not use this form without first consulting an attorney.

## Termination Agreement and General Release

### 1. Parties and Definitions.

#### Employee:

**Company** (also called "Employer" and "Released Parties"): COMPANY, including its members, owners, directors, agents, employees, attorneys, assigns and representatives.

### 2. Termination of Employee

Employee was employed by Employer from DATES. Separation from employment was involuntary, occurring in connection with (LIST REASON: E.G., A REDUCTION IN WORKFORCE BROUGHT ABOUT BY ECONOMIC CONDITIONS IN THE COMPANY'S MARKETPLACE, ETC.). The Company agrees that Employee is entitled to receive Unemployment Insurance benefits as a result of the termination. Company specifically confirms that there was no misconduct on the part of Employee, as the term "misconduct" is defined for purposes of determining eligibility for unemployment insurance benefits.

### 3. Payment and Other Compensation.

On TERMINATION DATE, separately from this agreement, the Company has paid to Employee unconditionally all wages earned (LIST AMOUNT) and accrued unused vacation (LISTR AMOUNT) through TERMINATION DATE. Those payments were made by checks, which are separate from the severance payment described later in this paragraph. Employee's receipt of the accrued wages and accrued vacation were not in any way dependent on HIS/HER agreement to sign this agreement in exchange for a severance payment.

Severance Payment: In addition to the foregoing, and in exchange for the mutual promises contained in this agreement, Company agrees to pay to Employee upon HIS/HER signature of this agreement a single severance payment in the gross amount of AMOUNT. Employer will deduct from that gross amount the withholding amounts required by state and federal law. As required by law, that amount will be included in Employee's gross earnings for calendar year YEAR.

### 4. General Release.

In exchange for the promises of Company contained in this document, Employee hereby releases Released Parties including their agents, employees, officers and directors from all claims, controversies, grievances, disputes and actions of every kind, known or unknown, vested or contingent, past or present, arising out of HIS/HER employment at Company. This release includes all claims for breach of contract, claims for defamation, or for violation of civil rights, claims for harassment, retaliation and/or discrimination under the Civil Rights Act of 1964, claims under the California Fair Employment and Housing Act, Government Code §12940 et seq., the Family & Medical Leave Act and its state counterpart, the National Labor Relations Act, the Labor Management Relations Act, the Pregnancy Discrimination Act and its state counterpart, claims arising through the

date hereof under the Age Discrimination in Employment Act of 1967 as amended (including the Older Worker Protection Act), and the state counterparts to all federal acts mentioned above, and claims under any other federal, state or local statute, law or regulation. Employee releases Released Parties from all claims related to delivery or nondelivery to HIS/HER of any notice required by the Consolidated Omnibus Budget Reconciliation Act (COBRA), concerning the Employee's right to continued health and/or dental insurance benefits following HIS/HER separation from employment with Company. The amounts set out in Paragraph 3, including the Severance Payment, are deemed by the parties to exceed the amount of wages, salary, regular time pay, commissions, overtime pay, premium pay, compensatory time, meal break penalties or wages, rest break penalty or wages, penalties concerning the provision or nonprovision of itemized wage statements, retaliation and waiting time penalties, which are due to Employee and unpaid.

All rights granted under Section 1542 of the California Civil Code are hereby expressly waived. California Civil Code Section 1542 reads as follows:

*A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.*

**5. Pending and Future Legal or Administrative Actions.**

Employee represents that there are no actions, whether in court, before any agency or otherwise, asserting claims by or on behalf of Employee against any of the Released Parties, including but not limited to, actions that concern allegations based on Employee's employment with Company. Employee agrees to file no action in the future concerning HIS/HER employment with Released Parties, or concerning this agreement.

**6. Defense to Further Action.**

This Agreement shall constitute a full and complete defense to, and may be used as a basis for an injunction against, any action, suit, or other proceeding which may be instituted, prosecuted or attempted by Employee in breach of this Agreement. In the event that Employee institutes or is a party to any such action, that claim shall be dismissed with prejudice and with an award of attorneys' fees and costs to any party incurred as a result of such action, immediately upon presentation of this Agreement.

**7. Construction.**

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

**8. Entire Agreement.**

This Settlement Agreement constitutes the entire agreement of the parties with respect to the subject matter of this Agreement.

**9. Partial Invalidity.**

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

**10. Execution.**

This Agreement may be signed in counterparts and on separate signature pages. These separate signature pages will become part of the integrated Agreement. Where convenient for the parties to do so, the signed signature pages may be facsimile transmissions.

**11. Thorough Review.**

Employee hereby acknowledges that SHE/HE has carefully read all of the terms of this Agreement. Employee acknowledges that SHE/HE had the opportunity (at HIS/HER own expense) to consult counsel in the discussion and negotiation of this settlement agreement, and either did so or voluntarily declined that opportunity.

**The effective date of this Agreement is the date of signature by Employee**

**For Company:**

\_\_\_\_\_  
COMPANY REPRESENTATIVE

Date \_\_\_\_\_

**By Employee:**

\_\_\_\_\_  
EMPLOYEE

Date \_\_\_\_\_

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