

**[IMPORTANT: The information and materials contained herein should not be considered or relied upon as legal advice on specific factual situations. Users are urged to consult legal counsel concerning particular situations and specific legal questions.]**

**SEPARATION AGREEMENT AND  
RELEASE OF ALL CLAIMS**

This Separation Agreement and Release of All Claims (“Agreement”) is made and entered into by and between [name of employee] on behalf of himself, his heirs, estate, executors, administrators, successors and assigns (hereinafter sometimes referred to as “Employee”) and [name of firm] and its current and former shareholders, employees, agents, assigns, affiliated companies, predecessors, successors (hereinafter sometimes referred to as “Employer”) and collectively “employee and employer” (hereinafter referred to as “Parties”). The Parties, in their wish to compromise, resolve, settle and terminate any dispute or claim between them with respect to Employee’s employment with Employer and his termination therefrom, have agreed as follows:

1. Employer shall make the following payment to Employee:
  - a) The Employer will pay Employee \_\_\_\_\_ DOLLARES AND \_\_\_\_\_ CENTS (\$\_\_\_\_\_ ), less legally required withholdings and authorized deductions, payable on the date that is eight days after this Agreement is executed by Employee.

***IF APPLICABLE***

***OPTION 1***

- b) Employee hereby acknowledges that he has been informed of his right to continuation of group health coverage under COBRA, and he desires to elect continuation coverage.

***OPTION 2***

- b) Employee hereby acknowledges that he has been informed of his right to continuation of group health coverage under COBRA, and he does not desire to elect continuation coverage.

***IF APPLICABLE***

- c) Employer, pursuant to its policies, will cooperate with Employee’s transfer of balance in his 401(k) plan to a new qualified plan, if any, if it has not already occurred, and Employee will continue to be entitled to Cobra benefits from the date of his termination, pursuant to Employer’s policy. Moreover, Employee will retain

any future vested retirement benefits, if any, as a result of his employment with Employer.

2. Employee represents and warrants that he has not assigned, transferred, granted or purported to assign, transfer or grant any claims, demands or causes of action connected with, incidental to or arising out of the facts giving rise to his employment with Employer. Moreover, Employee represents and warrants he has not and will not file any claims whatsoever, except for unemployment compensation, with any federal, state or local agency or court pertaining to his employment with Employer or termination therefrom.

a) Employee agrees to return all of Employer's confidential and/or Proprietary and trade secret information, including but not limited to, company manuals, handbooks, customer lists, training manuals, checklists, programs and other materials (including written or recorded on computer disk or other software) and all other information and data affording Employee access to Employer's network and access to the internet through Employer's resources or made available to Employee while in Employer's employ.

b) Employee understand and agrees that his employment with Employer has terminated, that he will not be re-employed by Employer, and that he will not apply for, or otherwise seek employment with Employer.

3. In consideration for the payments and benefits which Employer will provide to Employee under paragraph 1 of this Agreement, Employee on behalf of himself, his heirs, estate, executors, administrators, successors and assigns, releases and agrees to hold harmless Employer, its predecessors, successors, its current and former partners, agents, employees, attorneys, assigns, affiliates and transferees from all actions, causes of action, claims, disputes and/or charges of whatsoever kind, relating to Employee's employment with Employer, including his termination and any of Employer's actions which lead to his termination.

In particular, Employee understands and agrees that this release includes without limitation all such matters arising under any federal, state or local law, including but not limited to any claims under Title VII of the Civil Rights Act of 1964 as amended; the Civil Rights Act of 1991; the Age Discrimination Act; the Older Worker's Protection Act; the California Fair Employment and Housing Act; the Equal Pay Act; Executive Order 11141 (age discrimination); the Employment Retirement Income Security Disabilities Act (disability discrimination); the Employment Retirement Income Security Act of 1974; the California Labor Code Section 200 *et seq.* (salary, commission, compensation, benefits and other matters); the Fair Labor Standards Act, 29 U.S.C. Section 201 *et seq.* (wage and hour); the Consolidated Omnibus Budget Reconciliation Act of 1985, 42 U.S.C. Section 1395© (insurance matters); and any applicable California Industrial Welfare Commission Order, or any other federal, state or local law dealing with discrimination in employment on the basis of sex, sexual harassment, race, national

origin, religion, age, ancestry, physical disability, medical, veteran status, marital status, sexual orientation, wage and hour, labor, contract or tort.

In consideration of the benefits created by this Agreement, Employer thereby releases, remises and forever discharges Employee from any and all claims, demands and cause or causes of action heretofore and hereafter arising out of , connected with or incidental to his employment with Employer.

4. Parties understand and agree that this Agreement extends to all claims of every nature and kind whatsoever, known or unknown, suspected or unsuspected, past or present, and all rights under Section 1542 of the California Civil Code are hereby expressly waived. Section 1542 of the California Civil Code reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT OT EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE WHICH IF KNOWN TO HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

5. The Agreement and compliance with this Agreement shall not be construed as an admission by Employer of any liability whatsoever, or as an admission by Employer of any violation of the rights of Employee or any other person, violation of any order, law, statute, duty or contract whatsoever with respect to Employee or any other person. Employer specifically disclaims any liability to Employee or any other person for any alleged violation of the rights of Employee or any person, for any alleged violation of order, law, statute, duty or contract of the part of Employer.

6. Parties agree they will keep the fact, terms and amount of this Agreement completely confidential and that they will not hereafter disclose any information concerning this Agreement to anyone, provided that any party hereto may make such disclosures as are required by federal/state taxing authorities or as are necessary for the compliance purposes or as required by judicial action; however, notwithstanding the above, the Parties agree that this section is not violated by Employer's disclosure to those within the firm who need to know about this Agreement.

The shareholders of the Employer, on the one hand, and Employee, on the other hand, agree not to disparage or make any derogatory and untruthful remarks about the other, either orally or in writing. Further, the Employer shall use reasonable efforts to cause other employees, that it becomes aware of, from refraining from uttering anything malicious or false about Employee's work performance at the Employer, to the Employer's agents, employees or vendors, or to any know prospective employer of Employee.

In response to any inquiry regarding the employment of Employee, all prospective employers will be asked to contact the Human Resources manager of the Employer, and such person shall furnish only Employee's salary history, position held and dates of

employment with Employer. No other information, whether written or oral, shall be given without the express written consent of Employee. However, it is fully understood that if requested by a governmental agency or court order or subpoena, Employee's personnel file may be disclosed and questions answered about his performance without violating this Agreement. If, in fact, employment inquiries or job reference requests are made to others within Employer, at the express request of Employee, Employee understands and agrees to hold Employer harmless from any damage or claim that he may suffer if other information is provided. Moreover, Employee agrees to release and hold the Employer harmless from any damage or inquiry that he may suffer as a result of the information being provided at Employee's request or verifying dates of employment.

7. Employee understand and agrees that he:

a.) Has been offered a period of at least twenty-one (21) days within which to consider this Agreement before executing it;

b.) Has carefully read and fully understands all of the provisions of this Agreement and has agreed to accept all of the terms contained therein without any pressure or coercion by the Employer;

c.) By this Agreement, he understands that he is releasing Employer as defined in the introductory paragraph of this Agreement from any and all claims he may have against Employer;

d.) Knowingly and voluntarily agrees to all of the terms set for the in this Agreement;

e.) Knowingly and voluntarily intends to be legally bound by this Agreement;

f.) Has consulted with an attorney of his choice prior to executing this Agreement;

g.) Has a full seven (7) calendar days following the execution of this Agreement to revoke this Agreement and has been and is hereby advised in writing that this Agreement shall not become effective or enforceable until revocation period expired.

8. The Parties hereto represent and acknowledge that in executing this Agreement they do not rely and have not relied upon any representation or statement made by any of the Parties or by any of the Parties' agents, attorneys or representatives with regard to the subject matter, basis or effect of this Agreement or otherwise, other than those specifically stated in this written Agreement.

9. This Agreement shall be binding upon the Parties hereto and upon their heirs, administrators, representatives, executors, successors, offspring, spouse and

assigns, and shall inure to the benefit of said Parties and each of them and to their heirs, administrators, representatives, executors, successors and assigns.

10. Employee understands and agrees that if he disavows or challenges in court this Agreement, and if this Agreement is deemed unenforceable by a court of competent jurisdiction, he shall repay to Employer all sums received under Paragraph 1 of this Agreement within seven (7) calendar days from the entry of the final court order.

11. Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining parts, terms or provisions shall not be effected thereby, and said illegal, unenforceable or invalid part, term or provision shall be deemed not to be a part of this Agreement.

12. Employee further understands and agrees that if a court competent jurisdiction rejects his attempt to disavow this Agreement, he shall pay Employer within seven (7) calendar days from the entry of the final court order any loss, damage or expense, including without limitation reasonable attorney's fees incurred in enforcing this Agreement.

13. This Agreement sets for the entire Agreement between the Parties hereto and fully supercedes any and all prior agreements or understandings, written or oral between the Parties hereto pertaining to the settlement.

14. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the parties hereto.

Dated: [name of firm]

By: \_\_\_\_\_  
[name of partner]

Dated: \_\_\_\_\_  
[name of employee]