

Redundancy/Layoff Agreement Template

NOTE:

This template has been put together as a guide. Please ensure you customize and include any relevant legal requirements for your region.

Purpose:

This Redundancy/Layoff Agreement (“Agreement”) is made between [Company Name] (“the Company”) and [Employee Name] (“the Employee”) on [Date] to formalize the terms and conditions of the Employee's redundancy/layoff.

1. Reason for Redundancy/Layoff:

The Employee's role is being made redundant, or the Employee is being laid off, due to [specific reason(s), e.g., business restructuring, operational changes, technological advancements, financial considerations, etc.].

2. Notice Period:

The Company will provide the Employee with a notice period of [X] weeks/months, or, where permitted, a payment in lieu of notice, in accordance with local labour laws and the terms of the employment agreement.

3. Severance Payment:

The Company agrees to provide the Employee with a severance payment of [Amount]. This payment will be made on the Employee's last working day or within a reasonable period following separation, and will include:

- Severance pay based on [X] weeks/months of salary
- Any accrued vacation, holiday, or other paid time off

All payments will be subject to applicable tax withholdings as required by local laws.

4. Continuation of Benefits:

The Company agrees to continue the Employee's benefits for a period of [X] months following their final working day. These may include, but are not limited to:

- Health or medical insurance
- Retirement or pension plans
- Life insurance
- Other applicable benefits (e.g., wellness programs)

The Employee will be responsible for arranging their own benefits after this period, unless otherwise required by local law.

5. Return of Company Property:

The Employee agrees to return all Company property before their final working day. This includes:

- Electronic devices (e.g., laptop, mobile phone, etc.)
- Office keys, ID cards, access passes
- Any company-owned materials or other property

The Company may deduct the value of any unreturned property from the Employee's final pay, if applicable.

6. Release of Claims:

By signing this Agreement, the Employee agrees to release the Company from any further claims or liabilities arising from their employment or its termination, including but not limited to:

- Claims of wrongful dismissal or discrimination
- Claims for unpaid wages or benefits
- Any other claims arising under applicable employment laws

This release does not affect any rights the Employee may have under mandatory labour laws or entitlements to statutory benefits such as unemployment insurance or compensation.

7. Support for Transition:

The Company will provide the following support to assist the Employee in their transition:

- **[Outplacement services]** (e.g., career counselling, resume support, job placement assistance)
- **[Any other applicable support]** (e.g., job search assistance, networking resources)

The support is intended to help the Employee transition to new opportunities but does not guarantee future employment.

8. Confidentiality:

The Employee agrees to continue upholding confidentiality with respect to all proprietary and sensitive information they were exposed to during their employment. This includes, but is not limited to, client lists, business strategies, trade secrets, and intellectual property.

This confidentiality obligation remains in effect even after the Employee's separation from the Company.

9. Governing Law and Dispute Resolution:

This Agreement is governed by the laws of **[Country/Region]** or, if applicable, the jurisdiction in which the Employee worked or where the Company is based. In the event of any disputes related to this Agreement, both parties agree to seek resolution through **[arbitration/mediation/alternative dispute resolution]**.

10. Entire Agreement:

This Agreement constitutes the full understanding between the Employee and the Company concerning the Employee's redundancy/layoff. It supersedes any previous discussions, communications, or agreements regarding the Employee's separation.

11. Entire Agreement:

By signing this Agreement, the Employee confirms they have had the opportunity to review the terms and seek advice regarding the contents. The Employee also acknowledges that they understand and voluntarily agree to the terms outlined in this Agreement.

Company Representative:

Signature: _____

Name: _____

Title: _____

Date: _____

Employee:

Signature: _____

Name: _____

Date: _____

Notes:

- **Legal Adaptability:**

This Agreement is designed to be adaptable for various countries. Always ensure that it complies with local labour laws, including statutory redundancy pay, notice periods, and other rights.

- **Flexibility:**

Depending on the country or region, terms such as outplacement services, severance payments, or continued benefits might vary, so these should be tailored based on legal requirements.

- **Dispute Resolution:**

You may need to adjust dispute resolution procedures based on local norms (e.g., some regions may favour arbitration, while others may require court-based processes).

NOTE:

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