



Termination Letter

Termination letters are used by employers to notify an employee that his or her employment with the company is ending. A termination letter should include the following components: notice of termination, reason for termination, description of the employee's entitlements, description of the employee's obligations, and conclusion.

1. **Notice of Termination:** Informs the employee that he or she is being terminated from the company. This should be one sentence.
 - A. Provide the full name of the company.
 - B. Provide the exact date of termination.
 - C. Be direct. Deliver news of the termination as quickly and concisely as possible--"Your employment with (company name) will be terminated on (date)."
 - D. Avoid using the first person "I" in this section, as this suggests that you have a personal involvement with the employee's termination.

2. **Reason for Termination:** Inform the employee of the reason his or her employment is ending (layoff, violation of company policy, violation of safety standards, etc.).
 - A. This should be one or two sentences.
 - B. Be direct. State the reason up front, and do not use hedging or vague language.
 - C. This is a delicate part of the letter. For legal reasons, you may not want to be too specific with the reason for termination.

3. **Description of the Employee's Entitlements:** Advise the employee of any pay or benefits that the employee can expect after termination.
 - A. The final payment will be mailed to the address on file for the employee.
 - B. Any outstanding pay.
 - C. Indicate how long the employee's health care benefits will remain active (if applicable).

4. **Description of the Employee's Obligations:** Advise the employee of any remaining obligation he or she has to the company.
 - A. Inform the employee when he or she should be completely moved out of his or her workspace.
 - B. Inform the employee of any office materials that must be returned (keys, etc.).
 - C. If the employee signed a nondisclosure agreement upon employment, direct the employee to review that agreement.
 - D. Inform the employee of any consequences he or she faces by not meeting these obligations.

5. **Conclusion:** Even in a termination letter, you want to maintain goodwill with the employee. Thank the employee for his or her contributions to the company. If appropriate, offer to serve as a reference for the employee during his or her search for a new job. Wish the employee luck in his or her search for future employment.