**Severance Pay Policy**

**Purpose**

The purpose of this policy is to outline the severance pay benefit of [Company Name].

**Scope**

This policy applies to all regular, full-time employees of [Company Name], excluding temporary or contract employees, unless otherwise stipulated in their employment contract.

**Eligibility**

Employees may be eligible for severance pay under the following circumstances:

* In the event of a position elimination due to restructuring or downsizing.
* If an employee is laid off due to business-related reasons.
* In cases of involuntary termination for reasons not related to employee performance or conduct.

**Severance Pay Calculation**

Severance pay will be calculated based on the employee's length of service with [Company Name]. The formula for calculating severance pay is [Specify the formula, e.g., one week's pay for each year of service].

**Conditions for Severance Pay**

To be eligible for severance pay, employees must meet the following conditions:

* The employee must sign a Full and Final Settlement Agreement, releasing [Company Name] from any future claims.
* Compliance with the terms and conditions outlined in the company's policies, including the return of company property and confidentiality obligations.

**Disqualification from Severance Pay**

Employees may be disqualified from receiving severance pay under the following circumstances:

* Termination for cause due to serious violations of company policies.
* Resignation or voluntary departure from the company.
* Failure to sign the Full and Final Settlement Agreement.

**Severance Pay Process**

* Upon termination, HR will calculate the eligible severance pay for the employee.
* HR will provide the employee with the Severance Pay Calculation and the Full and Final Settlement Agreement.
* The employee has [Specify Duration, e.g., 21 calendar days] to review and sign the agreement.
* Once the agreement is signed and returned, HR will process the severance payment in accordance with the company's regular payroll schedule.

**Tax Implications**

Employees are responsible for any applicable taxes on the severance pay, and the company will provide the necessary documentation for tax purposes.

**Review and Revision**

This Severance Pay Policy will be reviewed periodically and may be revised as needed. Any changes will be communicated to employees through appropriate channels.

**Questions and Clarifications**

For questions or clarifications regarding this policy, employees may contact the Human Resources department at [HR Contact Information].