Separation Policy



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POLICY STATEMENT:

[Company Name] is committed to providing a fair and respectful process for all employees who separate from the company.

[Company Name] values its employees and recognizes their contributions to the success of the company. The company will make every effort to support employees during the separation process and ensure that their rights and entitlements are respected.

PURPOSE:

The purpose of this policy is to provide guidelines for employees and management on the process of separating from ABC Corporation.

The policy covers all types of separations, including resignations, retirements, layoffs, and terminations.

SCOPE:

This policy is applicable to all employees of the company, including full-time, part-time, temporary, and contract employees.

It is also applicable to all levels of employees, including managers, supervisors, and executives, who are separating from the company due to resignations, retirements, layoffs, or terminations.

RESIGNATIONS:

- An employee may resign from the company voluntarily or involuntarily for personal or professional reasons.
- Employees who resign from the company must provide at least two weeks' notice in writing to their immediate supervisor.

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- In exceptional circumstances, a shorter notice period may be accepted with the approval of the HR department.

RETIREMENTS:

- An employee may retire from the company when they reach the company's retirement age(superannuation) or choose to retire earlier based on the company's policies and procedures.
- Employees who retire from the company will receive all entitlements due to them, including any pension benefits, in accordance with the company's policies and relevant legislation.

LAYOFFS:

- The company may lay off employees due to changes in business needs, budget cuts, or other operational reasons beyond the employee's control.
- In the event of a layoff, the company will make every effort to provide affected employees with advance notice and support during the transition period.
- Employees who are laid off may be eligible for severance pay, outplacement services, and other benefits.

TERMINATION:

- The company may terminate an employee for cause, including but not limited to violation of company policies, unethical behavior, and poor performance.
- In such cases, the employee will be provided with a written notice of termination, along with the reason(s) for the termination.

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FNF (FULL AND FINAL) SETTLEMENT PROCEDURE:

RETIREMENT:

- Upon retirement from the company, the employee will receive a full and final settlement of all their dues, including salary, benefits, and entitlements, as per the company's policies and relevant laws.
- The HR department will calculate the final settlement amount and provide the employee with a detailed breakdown.
- The payment will be made as per the company's payroll schedule.

RESIGNATION:

- When an employee resigns from the company, the HR department will initiate the full and final settlement process.
- The process will include calculating the employee's dues, including salary, benefits, leave encashment, and any other entitlements.
- The final settlement amount will be paid to the employee as per the company's payroll schedule.

LAYOFFS:

- In the case of a layoff, the HR department will initiate the full and final settlement process for the affected employees.
- The process will include calculating the employee's dues, including salary, benefits, and any other entitlements.
- The final settlement amount will be paid to the employee as per the company's payroll schedule.

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TERMINATION:

- When an employee is terminated from ABC Corporation, the HR department will initiate the full and final settlement process.
- The process will include calculating the employee's dues, including salary, benefits, and any other entitlements.
- The final settlement amount will be paid to the employee as per the company's payroll schedule. However, in some cases, the employee may not be entitled to certain benefits or severance pay, as per the company's policies and relevant laws.

In general, the FNF settlement process should be completed within 30-45 days of the employee's last working day, as per the relevant laws and regulations.

RESPONSIBILITIES:

The HR department will be responsible to:

- Collect all company property, such as laptops, phones access cards, keys, and other physical security tokens and equipment from the employee on their last working day or as soon as possible and obtain a signed acknowledgement of return.
- Conduct an exit interview with the employee to gather feedback on their work experience, reasons for separation, and suggestions for improvement.
- Disable the separating employee's electronic access to company premises, equipment, and data, including email, VPN, cloud services, and other systems.
- Ensure that the employee's PF and gratuity entitlements are calculated and processed accurately and within the stipulated timeline.
- Ensure that the Finance department calculates and processes the employee's FNF statement accurately and within the stipulated timeline.

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- Ensure that the employee receives their experience letter and relieving letter on their last working day or shortly thereafter.
- Ensure that Form 16 is issued to the employee by 31st May of the following financial year, for employees who have been on the payroll during the financial year.
- Inform the employee of their options for continuing their health insurance coverage through COBRA or other applicable policies.
- Ensure that the employee has signed and returned any non-disclosure and non-compete agreements that were part of their employment contract.
- Ensure that the employee has received any other entitlements or benefits that they may be eligible for, such as unused vacation or sick leave, bonus payments, or stock options.

CONFIDENTIALITY:

The details of an employee's separation from the company will be kept confidential and shared only on a need-to-know basis.

CONTACT INFORMATION:

For questions about this policy, employees should contact their HR representative.

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Approved by:

Date of approval:

Revisions
Revision No. - Revision date - Approved by
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