

GARDEN LEAVE AGREEMENT

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This Garden Leave Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[COMPANY LEGAL NAME], a [STATE] [ENTITY TYPE, e.g. corporation] with its principal place of business at [COMPANY ADDRESS] (the "**Company**"); and

[EMPLOYEE NAME], an individual residing at [EMPLOYEE ADDRESS] (the "**Employee**").

The Company and the Employee are each a "**Party**" and together the "**Parties**."

Recitals. The Employee has given or received notice of the end of employment, and the Company wishes to place the Employee on a paid leave of absence during all or part of the notice period rather than have the Employee continue active duties. During this period the Employee remains employed and on payroll but is relieved of normal responsibilities. The enforceability of garden leave and related restrictions varies by jurisdiction. In consideration of the mutual promises in this Agreement, the Parties agree as follows.

1. Definitions

1.1 Notice Period. "**Notice Period**" means the period beginning on [NOTICE START DATE] and ending on [TERMINATION DATE] (the "**Termination Date**"), being the [NUMBER]-[week / month] notice period applicable to the end of the Employee's employment.

1.2 Garden Leave. "**Garden Leave**" means the period during the Notice Period in which the Company directs the Employee to remain away from the workplace and refrain from active duties while continuing to receive pay and benefits, as set out in Section 2.

1.3 Confidential Information. "**Confidential Information**" means non-public information of the Company or its clients, including business plans, pricing, customer and supplier data, financial information, methods, and technical information, in any form.

1.4 Company Property. "**Company Property**" means all equipment, devices, documents, access credentials, keys, cards, and other items belonging to the Company or containing Confidential Information.

2. Placement on Garden Leave

2.1 Direction to take leave. The Company places the Employee on Garden Leave for the period from [GARDEN LEAVE START DATE] through the Termination Date. The Company may, in its discretion, require the Employee to return to active duties for part of this period or end the Garden Leave early on written notice.

2.2 Continued employment. During Garden Leave the Employee remains an employee of the Company, remains bound by all duties owed to the Company including the duty of good faith and fidelity, and continues to accrue length-of-service benefits as applicable.

2.3 No duties unless requested. The Employee is relieved of normal duties but will remain reasonably available during normal business hours to respond to Company requests, assist with transition matters, and answer questions within the Employee's knowledge.

2.4 Suspension of access. The Company may suspend or limit the Employee's access to its premises, systems, accounts, clients, employees, and Confidential Information during Garden Leave without breaching this Agreement.

3. Compensation and Benefits During Garden Leave

3.1 Pay continuation. During Garden Leave the Company will continue to pay the Employee's base salary at the normal rate and on the normal payroll cycle, less applicable withholdings.

3.2 Benefits continuation. The Company will continue the Employee's participation in benefit plans during Garden Leave to the extent permitted by the applicable plan terms and applicable law.

3.3 Variable compensation. Eligibility for any bonus, commission, or other variable compensation during Garden Leave is governed by the terms of the applicable plan. **[State whether the Employee remains eligible, on what basis, and how any pro-rata is handled.]**

3.4 Accrued leave and expenses. The Company will pay out accrued but unused vacation or paid time off as required by applicable law and reimburse properly documented business expenses incurred before the Garden Leave began.

4. Employee Obligations During Garden Leave

4.1 Exclusive service. During Garden Leave the Employee will not, without the Company's prior written consent, perform services for, accept employment with, or provide assistance to any other business, whether or not for pay.

4.2 No solicitation. During Garden Leave the Employee will not solicit or attempt to solicit any client, prospect, supplier, or employee of the Company, or otherwise interfere with the Company's business relationships.

4.3 Confidentiality. The Employee will continue to protect Confidential Information, will not use or disclose it except for the Company's benefit, and will comply with all confidentiality and invention-assignment obligations owed to the Company.

4.4 Return of property. Unless the Company directs otherwise, the Employee will return all Company Property the Company requests during Garden Leave and will return any remaining Company Property no later than the Termination Date.

4.5 No competitive preparation. The Employee will not, during Garden Leave, take material steps to establish or join a competing business, including diverting opportunities or recruiting Company personnel.

5. Restrictive Covenants After Termination

5.1 Set-off against post-employment restrictions. Any period the Employee spends on Garden Leave **[will / will not]** count toward and reduce the duration of any post-employment non-compete or non-solicitation restriction in the Employee's other agreements with the Company. **[Select one; jurisdictions treat this differently — confirm with counsel.]**

5.2 Survival of covenants. The Employee's confidentiality, non-solicitation, non-competition, and invention-assignment obligations under any other agreement remain in full effect according to their terms and are not waived by this Agreement, subject to applicable law.

5.3 **Reasonableness and reformation.** The Parties intend the restrictions to be no broader than necessary to protect the Company's legitimate interests. If a court finds any restriction overbroad or unenforceable, it should be enforced to the maximum extent permitted, and the remainder remains in effect.

6. Termination of Employment

6.1 **End of employment.** The Employee's employment ends on the Termination Date. On that date the Garden Leave and the pay continuation under Section 3 end, except for amounts already accrued.

6.2 **Early termination for Cause.** The Company may end the Employee's employment before the Termination Date for cause, including a material breach of this Agreement, in which case pay continuation ends as of the date of that termination, subject to applicable law.

6.3 **Final pay.** The Company will provide the Employee's final pay and any required payouts in accordance with applicable law.

7. General Provisions

- 7.1 **No admission.** This Agreement is not an admission by either Party of any wrongdoing or liability.
- 7.2 **Entire agreement; amendment.** This Agreement is the entire agreement between the Parties on the subject of the Employee's leave during the Notice Period and supersedes prior discussions on that subject. It does not supersede the agreements referenced in Sections 4 and 5. It may be amended only by a writing signed by both Parties.
- 7.3 **Governing law and venue.** This Agreement is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the state and federal courts located in [COUNTY, STATE].
- 7.4 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect, and unenforceable provisions are reformed to the extent permitted. A Party's failure to enforce a provision is not a waiver.
- 7.5 **Assignment.** The Company may assign this Agreement to a successor or affiliate. The Employee may not assign this Agreement.
- 7.6 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

COMPANY	EMPLOYEE
Signature: _____	Signature: _____
Printed name: [NAME]	Printed name: [EMPLOYEE NAME]
Title: [TITLE]	Title: N/A
Date: _____	Date: _____
_____	_____

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