

[Company Name]
[Address]
[City, State, Zip Code]

[Date]

[Employee Name]
[Employee ID]
[Department]

Subject: Notification of Salary Restructuring

Dear [Employee Name],

This letter is to formally notify you of a change to your compensation structure, effective [Effective Date].

To better align individual performance with company objectives, your current compensation will be restructured from a fixed base salary to a combination of base salary and variable pay (incentive/commission). Your total earning potential remains [equal to/higher than] your previous compensation package.

The new structure is as follows:

- **Current Base Salary:** [Amount] per [Year/Month]
- **New Base Salary:** [Amount] per [Year/Month]
- **Variable Pay Target:** [Amount or Percentage] per [Year/Quarter/Month]
- **Payment Frequency:** [Monthly/Quarterly/Annually]

The variable component of your pay will be based on the following performance metrics: [List Key Performance Indicators or Sales Targets]. A detailed breakdown of the [Commission/Incentive] Plan is attached to this letter.

All other terms and conditions of your employment contract remain unchanged. Please review the attached document and return a signed copy to the Human Resources department by [Deadline Date] to acknowledge your acceptance of these changes.

If you have any questions regarding these changes, please contact [Name/Department].

Sincerely,

[Sender Name]
[Title]
[Company Name]

Acknowledgment:

I, [Employee Name], accept the new compensation structure as outlined above.

Signature: _____ Date: _____