

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

[Date]

[Employee Name]
[Employee ID]
[Department]

Subject: Notification of Compensation Restructuring and Conversion

Dear [Employee Name],

This letter serves as formal notification regarding a restructuring of your compensation package. Effective [Effective Date], your compensation structure will be converted as follows:

Current Compensation Structure:

Type: [e.g., Hourly / Salary]
Rate: [Amount]

New Compensation Structure:

Type: [e.g., Salary / Hourly / Commission-Based]
New Base Rate: [Amount]
[Optional] Incentive/Bonus Plan: [Details]

Reason for Adjustment:

[Brief reason, e.g., Internal reorganization, shift to performance-based pay, or FLSA classification change].

Impact on Benefits:

Please note that this conversion [will/will not] affect your eligibility for company benefits, including [list benefits if applicable, e.g., overtime eligibility, PTO accrual, or health insurance].

All other terms and conditions of your employment contract remain unchanged. Please review this document and sign below to acknowledge your understanding and acceptance of these changes.

If you have any questions, please contact the Human Resources department at [Phone Number/Email].

Sincerely,

[Sender Name]
[Sender Title]

Employee Acknowledgment:

I hereby acknowledge that I have received and understood the details of my compensation restructuring as outlined above.

Signature: _____ Date: _____