

[Date]

[Executive Name]

[Title]

[Company Name]

Dear [Executive Name],

Subject: Adjustment to Base Compensation

As a result of your exceptional performance and significant contributions to the growth of [Company Name], the Board of Directors and executive leadership have approved a structural change to your compensation package.

Effective [Effective Date], a portion of your annual performance-based bonus will be converted into your fixed annual base salary. This adjustment is intended to provide greater financial stability and recognize your ongoing leadership role within the organization.

The details of your compensation adjustment are as follows:

- **Previous Annual Base Salary:** \$[Amount]
- **Bonus Conversion Amount:** \$[Amount]
- **New Annual Base Salary:** \$[Amount]

Your new salary will be paid in accordance with the company's standard payroll schedule. Please note that while your base salary has increased, you remain eligible for the [Name of Bonus Plan] with a revised target of [Percentage]% of your new base salary, subject to the terms of the plan and company performance.

All other terms and conditions of your employment agreement remain in full force and effect. Please acknowledge your receipt and acceptance of this adjustment by signing and returning a copy of this letter to the Human Resources department by [Date].

Thank you for your continued dedication and commitment to [Company Name].

Sincerely,

[Name]

[Title]

[Company Name]

Acknowledgment:

[Executive Signature]

[Date]