[Company Header/Logo]

[Date]

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

Dear [Employee Name],

Following the recent merger between [Company A] and [Company B], we are excited about the future of the newly formed [Combined Company Name]. Your contributions and leadership have been identified as vital to our continued success and the effective integration of our teams.

To recognize your importance to the organization during this transition, we are pleased to offer you an adjusted compensation package and a retention incentive.

New Salary Terms:

- **Position Title:** [Title]
- **Effective Date:** [Date]
- **New Annual Base Salary:** $[Amount]
- **Payment Frequency:** [e.g., Bi-weekly/Monthly]

Retention Bonus:

In addition to your salary increase, you are eligible for a one-time retention bonus of $[Amount]. This bonus will be paid on [Date], provided you remain actively employed and in good standing with the company through that date.

All other terms and conditions of your employment agreement remain in effect. Please signify your acceptance of these updated terms by signing and returning this letter by [Deadline Date].

We value your commitment and look forward to your continued impact at [Combined Company Name].

Sincerely,

[Signature]
[Name of Executive/HR Manager]
[Title]

Acknowledgment and Acceptance:

I accept the terms of the salary adjustment and retention bonus as outlined above.

Signature: ____________________________ Date: _______________