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

[Date]

[Employee Name]
[Employee ID]
[Department]

**Subject: Performance-Based Retention Bonus Agreement**

Dear [Employee Name],

We are pleased to recognize your significant contributions and commitment to [Company Name]. To demonstrate our appreciation and our desire to retain your expertise, we are offering you a performance-based retention bonus.

**Bonus Amount:** You are eligible to receive a one-time gross bonus of $[Amount].

**Retention Period:** To earn this bonus, you must remain actively employed with the company in good standing through [End Date].

**Performance Criteria:** Payment of this bonus is contingent upon the successful completion of the following performance milestones:

- [Milestone 1: e.g., Completion of Project X]
- [Milestone 2: e.g., Achievement of specific sales target]
- [Milestone 3: e.g., Maintaining a "Exceeds Expectations" performance rating]

**Payment Terms:** Provided the performance criteria are met and you remain employed on the date of payout, the bonus will be paid on [Payment Date]. This payment is subject to all applicable taxes and withholdings.

Please note that if you voluntarily resign or are terminated for cause prior to [End Date], you will not be eligible for this bonus.

Thank you for your continued hard work and dedication to our success.

Sincerely,

[Sender Name]
[Sender Title]

**Acknowledgment**

I accept the terms and conditions of this Performance-Based Retention Bonus as outlined above.

Employee Signature: _____ Date: _____