

Date: [Insert Date]

To: [Executive Name]

Title: [Executive Title]

Subject: Notice of Modification to Discretionary Target Bonus

Dear [Executive Name],

This letter serves as formal notification that the Board of Directors and the Compensation Committee have completed a review of the executive compensation structure for [Company Name]. As a result of this review, your discretionary annual target bonus opportunity is being modified.

Effective [Effective Date], your annual target bonus will be adjusted as follows:

- **Previous Target Bonus:** [Previous Percentage]% of base salary (or \$[Amount])
- **New Target Bonus:** [New Percentage]% of base salary (or \$[Amount])

The actual bonus payout remains discretionary and will continue to be determined based on a combination of company performance, departmental achievements, and your individual performance against established key results. All other terms and conditions of your employment agreement remain in full force and effect.

We appreciate your continued leadership and commitment to the success of [Company Name]. Please sign below to acknowledge receipt of this modification and return a copy to the Human Resources department.

Sincerely,

[Sender Name]

[Sender Title]

[Company Name]

Acknowledgment:

I hereby acknowledge that I have received and understood the changes to my discretionary target bonus as outlined above.

[Executive Signature]

[Date]