

DATE: [Insert Date]

TO: [Executive Name]

POSITION: [Executive Job Title]

FROM: [Name of Sender/Board of Directors]

SUBJECT: Notification of Benefit Suspension During Furlough Period

Dear [Executive Name],

This letter serves as a formal notification regarding the status of your executive benefits during your upcoming furlough period, effective [Start Date] through [End Date].

As previously communicated, the company is implementing a temporary furlough. During this time, the following changes to your executive compensation and benefits package will apply:

1. Salary and Bonus: Your base salary will be suspended for the duration of the furlough. Performance-based bonus accruals for this period will also be paused.

2. Health and Welfare Benefits: [Select one: Company contributions to your health insurance premiums will cease / The company will continue to cover premiums through (Date)]. If applicable, instructions for COBRA or personal premium payments are attached.

3. Retirement and Deferred Compensation: Company matching contributions to your 401(k) or supplemental executive retirement plans (SERP) will be suspended for the duration of the furlough.

4. Perquisites: Use of company-provided assets, including [Company Car / Club Memberships / Travel Allowances], is suspended effective [Date].

5. Equity Vesting: [Select one: Vesting of stock options or RSUs will continue as scheduled / Vesting will be tolled and resumes upon your return to active status].

Please contact the Human Resources Department at [Phone Number/Email] by [Date] to discuss the administrative steps required to maintain or transition your personal coverage during this gap.

We appreciate your leadership and understanding during this challenging time for the organization.

Sincerely,

[Signature]

[Name of Authorized Officer]
[Title]