

[Your Name]  
[Your Address]  
[City, State, Zip Code]  
[Email Address]  
[Phone Number]

[Date]

[Recipient Name]  
[Recipient Title]  
[Company/Institution Name]  
[Address]  
[City, State, Zip Code]

**Subject: Explanation of Deferred Financial Compensation**

To Whom It May Concern,

Please accept this letter as formal documentation and explanation regarding my deferred financial compensation for the period of [Start Date] to [End Date].

Due to [Reason for Deferral, e.g., company-wide budget restructuring, contractual agreement, or project-based milestones], I reached an agreement with my employer, [Employer Name], to defer a portion of my earned income. The total amount deferred is [Dollar Amount], which is scheduled to be paid out on [Expected Payment Date or Schedule].

This deferral was a strategic financial decision and does not reflect a permanent loss of income or a change in my employment status. Attached to this letter, you will find supporting documentation, including [mention attachments, e.g., an addendum to my employment contract or a letter from the HR department], confirming the terms of this arrangement.

I hope this provides the necessary clarification for my current financial profile. Should you require any further information or verification, please do not hesitate to contact me or my employer's human resources department at [HR Phone Number].

Thank you for your time and consideration.

Sincerely,

[Your Signature]

[Your Printed Name]