**[Company Name]**

**[Company address]**

**[City, ST ZIP Code]**

**[Date]**

**Notification of Salary Reduction**

Dear [employee name]

I refer to our meeting on [insert date] about whether you would be willing to agree to a salary reduction from [insert amount] per [annum/month/hour] to a new rate of [insert amount] per [annum/month/hour].

As discussed, the company is experiencing a significant downturn in business due to the [state reason]. In response, we are putting in place a [temporary/permanent] reduced pay arrangement to avoid mass layoffs.

If we do not obtain sufficient employee participation in the salary reduction program, we will have no option but to consider instituting a redundancy program that may result in temporary employee layoffs.

If you are willing to participate in the salary reduction program, please fill in your details below and return this form to [insert name] by [insert date]. If you have any further questions regarding this matter, please contact [insert name and contact details.]

Sincerely,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Name and Title]

I agree to a [temporary/permanent] reduction in my salary from [insert amount] per [annum/month/hour] to a new rate of [insert amount] per [annum/month/hour] as proposed in the above letter.

Signed……………………………………………………………………...

Name……………………………………………………………………….

Date…………………………………………………………………………