[DATE]

Contact Name

Address

Address2

City

State/Province

Zip/Postal Code

**RE: NOTICE OF BONUS CANCELLATION**

Dear [CONTACT NAME],

This has been a very difficult year for [COMPANY] and as you are all aware we have had some very difficult financial decision to make. We were faced with making a choice between retrenching some employees or to explore other possible avenues of cost reduction, allowing everyone to keep their jobs. We obviously chose the latter of the two but unfortunately, we had to make some cuts in other areas of the business and one of them was the Year End Bonuses.

This will be the first year since [YEAR] that we will be unable to thank you for all your hard work, faithfulness and loyalty. We are all hoping that [YEAR] will be a prosperous year and that we will be able to reinstate our traditional Year End bonus policy.

Kind regards,

[YOUR NAME]

[YOUR TITLE]

[YOUR PHONE NUMBER]

[YOUREMAIL@YOURCOMPANY.COM]