Date:

To

[The Recipient]  
[Designation]

Dear Mr. Sam White,

Good day. I am writing to remind you about the new salary reduction policy of our company which will be implemented with effect from 1st October 20XX. As discussed in the last meeting held on 25th September, we have been considering this policy for a while now and have decided to implement it from next week.

The company has been experiencing a huge financial loss due to a large batch of products lost in last month’s rat infestation. The batch was destroyed by the rats due to the negligence of some of the factory workers who have effectively been terminated from the company. To cope with this financial loss, we have decided to reduce the salary of the employees by ten percent per month.

I have attached the agreement form with this email. Please fill out the form, sign it and email it back to me if you are willing to participate in this agreement. I must inform you that if an employee does not wish to participate in this agreement, the company will have the right to lay off the employee temporarily or permanently. Please let us know your decision at your earliest so we can make arrangements accordingly.

We look forward to your cooperation in this matter. We assure you that the salary will be increased to the initial amount once the company is able to recover from this financial loss. Thank you for your consideration.

Regards,

Company CEO  
Alex Richards.