

[Company Header/Logo]

[Date]

[Employee Name]

[Employee Address]

[City, State, Zip Code]

**RE: Retention Bonus Agreement**

Dear [Employee Name],

As you are aware, [Company Name] (the "Company") has entered into an agreement regarding a merger/acquisition with [Acquiring Company Name]. We recognize that your continued service and expertise are critical to the success of this transition and the future of the combined organization.

To encourage your continued commitment, the Company is pleased to offer you a Retention Bonus under the following terms:

- 1. Retention Bonus Amount:** You are eligible to receive a one-time cash bonus in the amount of \$[Amount] (the "Retention Bonus"), less applicable tax withholdings.
- 2. Retention Period:** To earn this bonus, you must remain actively employed by the Company in good standing through [Closing Date or Specific Calendar Date] (the "Retention Date").
- 3. Payment Terms:** The Retention Bonus will be paid in a lump sum within [Number] days following the Retention Date, provided you have remained continuously employed through that date.
- 4. Termination of Employment:** If your employment is terminated by the Company for Cause, or if you voluntarily resign prior to the Retention Date, you will not be eligible to receive any portion of the Retention Bonus.
- 5. Confidentiality:** You agree to keep the terms and existence of this agreement strictly confidential.

Please acknowledge your acceptance of these terms by signing and returning this letter to [Department/Name] no later than [Date].

We thank you for your hard work and look forward to your continued contributions during this exciting time.

Sincerely,

[Authorized Signature]

[Name]

[Title]

**Acknowledgment and Acceptance:**

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[Employee Signature]

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[Date]