To

[Recipient Name]  
[Department Name]  
[Address]  
[Text]

Re. Termination due to Budget Cuts

Dear Sherman,

It is to inform you with great regret and sadness that you have been terminated from the designation of Assistant Designer due to the budget cuts proceeded by the Organization’s authorities. The nature of termination is permanent as budget cuts may result in shrink of business too. The termination will take its effect from 1st August 20XX.

There was seen a huge imbalance between production and expenditure. To ensure the expected profit and keep a balance between production and expenditure, budget cuts were decided. We tried to handle the imbalance and economic destabilization in various other ways but unfortunately, they did not go successful.

Till the end of this week, you will be contacted by the Human Resource Department of the company where you will be helped to find other ways to get your career to restart another way. We will also make sure to have a farewell meeting with you along with other staff members. The termination has been made based on seniority and went through all the legal proceedings. The company will not forget your tireless and sincere dedication and strives for the company. We appreciate and highly regard your sincere contribution to the company’s career and quality of work produced.

Thank you

Sincerely,

Signature