[insert date]

Subject: COVID-19 Business Interruption and Temporary Furlough

Dear [NAME]:

Over the past few months, the U.S. has experienced unprecedented disruption caused by the spread of COVID-19. The situation is particularly challenging for the [insert industry type/class] industry, including [insert name of company]. As a result, we’ve had to make difficult decisions about appropriately staffing our organization while treating employees fairly and compassionately.

After careful consideration, we have made the difficult decision to temporarily furlough many of our employees. With regrets, this letter is to inform you that you will be placed on a temporary furlough, effective [date]. We are hopeful that we will be able to restore you to your prior position in the near future.

Here’s what a temporary furlough means in this situation:

* **You will remain a full-time employee** on a temporary, unpaid leave of absence. **This is not a layoff**.
* **You will retain your full benefits during the furlough if you have enrolled in benefits**. In addition, during the furlough period, the Company will directly pay your monthly employee benefit premiums that are normally deducted from your paycheck. Employees will not repay the premiums paid on their behalf upon their return from furlough.
* You will be able to apply for state unemployment benefits, as well as enhanced benefits under the CARES Act, which provides $600/week to eligible individuals.
* You will not be expected to work during the furlough, but you must remain ready to return to work when business circumstances change.

This temporary furlough maximizes your ability to apply for full state unemployment benefits as well as enhanced benefits under the federal CARES Act (which together exceed what [insert company name] is able to provide), while maintaining your employment. This will allow you to continue your benefits coverage and quickly return to work when business conditions have improved.

**It is important that you apply for state unemployment benefits and federal benefits under the CARES Act as soon as possible**, because it may take several weeks for payments to begin. Please see the attached summary explaining how to apply for benefits. [In the meantime, \_\_\_\_\_\_\_\_\_\_\_\_\_\_ has created a Hardship Fund that will [Insert info about Hardship Fund].

To help you understand what this furlough means to you, we have attached a list of frequently asked questions (FAQs). While we cannot predict the duration of this temporary furlough, we are confident that we will regain our momentum as the COVID-19 crisis passes — and your role will be critical to helping us do that. Of course, given that this is an uncertain and dynamic situation, it is possible that [insert company name] may have to change the terms of this furlough at its discretion.

On behalf of [insert company name], thank you for your service. We are actively planning for our future and will provide you with regular updates on the status of our business. We look forward to your return to work. If you have any questions, please do not hesitate to contact me.

Sincerely,

CEO/HRD