**Employment Bond Renewal Letter - Tips, Need, and Format**

Nowadays, an employee and an employer sign a contract, which makes all of the contract's terms legally binding on both parties. It specifies the pay to be paid, the employee's position within the organization, stipends, and benefits, if applicable, among other things. If the employment contract is for a set period of time or if the employee is on a trial period, the contract will end on the set period. If both the employee and the employer are happy with the current arrangement, they can renew the work contract.

The Employment Renewal Letter is sent to tell the employee when an employment contract comes to an end owing to the completion of the specified service or the stipulated time frame of work, and the employer extends the contract.

It specifies the length of time that the employment contract will be extended. It is always written by the employer, and it is normally reserved for the most deserving employees. It also explains why such an extension has been granted.

**Tips to Write Employment Bond Renewal Letter**

- Always write the letter in a formal tone

- Ensure that there are no punctuation mistakes in the letter

- Mention the reason for the employment renewal

- Mention the changes in the current conditions, if there are any.

If you do not want to take the hustle of writing the letters, we have a solution for you. Ultimate Business Systems is an **HRMS Software** that offers you ready-to-use templates for not only the employment renewal letter but all the other HR letters that may be required for a smoother and faster onboarding process.

Now, you might be thinking about what makes us different from the competitors. The answer is the Live Edit feature. Unlike our competitors, we provide a live edit link where you can just click on the link, edit the letters on the website itself and they are ready to use. Convenient, Right?

**Why Need an Employment Renewal Letter?**

Employment Renewal Letter is an acknowledgment of the interest of an employee to extend the current bond with the company. It also confirms that the discussions have been made on the same interest. Employment Bond Renewal Letter is the proof of these discussions and specifies the terms of the renewal. In short, it is proof of the mutual agreement between the employer and the employee to continue working with the organization for the future.

**Benefits of Renewal Letter**

- These letters are printed proof of an employee’s continued existence in the company, and they are legally binding.

- They keep track of information and save it for later use. Because a renewal represents a restart, it could also refer to the end of a previous contract.

- This letter is a continuation document, and it is critical confirmation that an employment has and will be continued.

| **Download Employment Bond Renewal Letter Format**  You can download the Employment Bond Renewal letter in the following formats  Live Edit Download Word Download PDF |
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**Employment Renewal Letter Format**

| Date: DD/MM/YY  Name of the employee…  Job Designation…  Department Name…  ***Sub: Contract Renewal***  Dear (name),  This letter is concerned with your employment contract ending on [End Date]. After carefully analyzing your performance we have decided to renew your employment contract and we sincerely hope that you will continue to perform the same in the near future.  You have been a part of this organization for [duration of employment] and with all your efforts and knowledge, you have proved that you are an important asset to our organization. We wish you all the very best for your future and hope to hear from your side soon.  Yours Sincerely  Signature  Your Name  Designation  Company Name |
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**Sample Employment Bond Renewal Letter**

| 22/02/2021  Arjun Patel  Digital Marketing Expert  Marketing  Subject - Regarding the Employment Bond Renewal  Dear Arjun,  This letter is concerned with your employment contract ending on 1st March 2021. After carefully analyzing your performance we have decided to renew your employment contract and we sincerely hope that you will continue to perform the same in the near future.  You have been a part of this organization for 3 years and with all your efforts and knowledge, you have proved that you are an important asset to our organization. We wish you all the very best for your future and hope to hear from your side soon.  Regards,  [Signature]  Kalpana Shah  HR Manager  XYZ Solutions Pvt. Ltd. |
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**Conclusion**

Providing employment renewal letters to the employees is a crucial part of the HR management process. However, writing the same letter each time when you need to issue it to the employee can be a bit boring and time-consuming. We’ll solve this problem for you.

Ultimate Business Systems is a leading [**HRMS Software India**](https://ubsapp.com/hrms-software/) that can help you manage your HR-related operations smoothly and efficiently. Book a live demo to know more.

**Meta Description -** The Employment Bond Renewal Letter is sent to an employee who has finished the set period of time in a company and the company wants to extend the contract. Read More!!

**Format 1**

| From,  Kalpana Shah  HR Manager  XYZ Solutions Pvt. Ltd.  Atlanta  Date - 22/02/2021  To,  Mr. Arjun Patel,  Junior Accountant,  XYZ Solutions Pvt. Ltd.,  Atlanta  Sub: Employment Contract Extension  Dear Mr. Arjun,  We are writing to advise you that, as a result of your outstanding performance during your last 12-month employment with us, we are extending your employment contract. The contract's terms and conditions are identical to those of the original contract.  We want you to work with the same degree of dedication and work ethics as you did in the last term. We are astonished to work together in the future.  Regard,  \_\_\_\_\_\_\_\_\_\_  (Kalpana Shah) |
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**Format 2 - Email Template for Employment Renewal Letter**

| To: abc@gmail.com  From: xyz@gmail.com  Subject: Employment Renewal  Dear Arjun,  We are pleased to inform you that we are renewing your employment contract with our company for 2 more years seeing your excellent performance in the previous term of the contract. The terms and conditions will remain the same as the previous one.  We expect the same level of work ethics and dedication as of the past term of the contract. We are looking forward to continuing our professional relationship for the long term.  Looking forward to your response.  Regards,  Kalpana Shah |
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