[Your Company Letterhead]

[Date]

[Employee's Name]

[Employee's Address]

[City, State, ZIP Code]

Dear [Employee's Name],

I am writing to inform you that, as part of our annual review, we have implemented a Cost of Living Adjustment (COLA) for all our employees. This adjustment is aimed at keeping your salary in line with the rising cost of living in our region.

Effective [Effective Date], your salary will be increased to [New Salary]. Please note that this adjustment is not based on individual performance but is a standard policy to ensure our employees' financial well-being.

If you have any questions or need more information regarding this COLA increment, please don't hesitate to contact [HR Manager's Name] in the HR department.

Thank you for your continued dedication to [Company Name].

Sincerely,

[Your Name]

[Your Title]

[Company Name]

[Contact Information]