

DATE: [Date]

TO: [Employee Name]

EMPLOYEE ID: [ID Number]

FROM: [Compliance Department/Human Resources]

RE: NOTICE OF INSIDER TRADING CODE OF CONDUCT VIOLATION

Dear [Employee Name],

This letter serves as formal notification that a violation of [Company Name]'s Insider Trading Policy and Code of Conduct has been identified regarding your recent activity.

Description of Violation:

Based on internal monitoring and trade reconciliation, it has been determined that on [Date], you executed a transaction involving [Securities Name/Type]. This action constitutes a violation because:

- The trade occurred during a designated "Blackout Period."
- The trade was executed while in possession of Material Non-Public Information (MNPI).
- The trade was not pre-cleared by the Compliance Office as required.

Disciplinary Action:

Adherence to insider trading laws and company policy is a condition of your employment. As a result of this breach, the following action is being taken:

[Insert disciplinary action: e.g., Formal Warning, Suspension, Forfeiture of Profits, or Termination of Employment].

Required Next Steps:

1. You are required to meet with the Compliance Officer on [Date] at [Time].
2. You must re-complete the Insider Trading Awareness Training by [Date].
3. [Optional] You are instructed to reverse the trade immediately, if applicable.

Please be advised that insider trading is also a violation of federal law and may be subject to investigation by civil and criminal authorities, including the SEC.

A copy of this letter will be placed in your permanent personnel file.

Sincerely,

[Signature]

[Name of Official]

[Title]

[Company Name]

Employee Acknowledgment:

I acknowledge that I have received this notification and understand the nature of the violation.

Signature: _____ Date: _____