

**Date:** [Insert Date]

**To:** [Recipient Name/Board of Directors]

**Institution:** [Name of Financial Institution]

**Address:** [Insert Address]

**Subject: Final Conclusion of Asset Quality Review (AQR)**

Dear [Recipient Name],

This letter serves as the formal notification regarding the completion and final conclusion of the Asset Quality Review (AQR) conducted for [Institution Name], covering the period from [Start Date] to [End Date].

### **1. Executive Summary**

The objective of this review was to evaluate the adequacy of asset valuation, the effectiveness of credit risk management practices, and the sufficiency of loan loss provisions. Based on our findings, the overall asset quality of the institution is rated as [Satisfactory/Fair/Marginal/Unsatisfactory].

### **2. Key Findings**

During the review process, the following primary observations were made:

- **Loan Classification:** [Brief summary of findings regarding performing vs. non-performing loans].
- **Provisioning:** [Brief summary of findings regarding the adequacy of reserves].
- **Collateral Valuation:** [Brief summary of findings regarding the accuracy of asset appraisals].
- **Risk Management:** [Brief summary of internal control effectiveness].

### **3. Required Adjustments**

As a result of the AQR, the institution is required to implement the following adjustments: [List specific financial adjustments, reclassifications, or additional provisioning required].

### **4. Conclusion and Recommendations**

To maintain financial stability and regulatory compliance, the institution must [Insert mandatory actions, e.g., update credit policies, increase capital buffers, or improve documentation]. A detailed remedial action plan must be submitted to our office by [Insert Deadline Date].

We appreciate the cooperation provided by your staff during this review. Please contact [Contact Name] at [Phone Number/Email] should you have any questions regarding these findings.

Sincerely,

[Your Name/Signature]

[Your Title]

[Regulatory Body/Audit Firm Name]