

To: All Department Heads and Treasury Staff

From: Office of the Chief Financial Officer / Risk Management Division

Date: [Insert Date]

Subject: Update to Internal Overnight Lending and Liquidity Policies

Dear Team,

This letter serves as formal notification regarding specific adjustments to our internal overnight lending policy, effective [Insert Date].

Following a review of current market volatility and our internal liquidity frameworks, the following changes have been implemented:

- **Interest Rate Benchmarks:** All overnight internal transfers will now be indexed to [Insert Benchmark, e.g., SOFR + Spread] to better reflect current cost of funds.
- **Lending Limits:** Individual department borrowing caps have been revised. Please refer to the attached schedule for your specific allocation.
- **Collateral Requirements:** High-quality liquid assets (HQLA) must now represent a minimum of [Insert Percentage]% of any intra-company overnight positions.
- **Reporting Deadlines:** Requests for overnight funding must be submitted to the Treasury desk no later than [Insert Time] to ensure same-day settlement.

The primary objective of these shifts is to optimize our balance sheet efficiency and ensure robust liquidity coverage during non-business hours. All personnel involved in cash management and inter-departmental settlements are required to review the full policy document available on the company intranet.

Please direct any questions regarding these operational changes to the Treasury Compliance team at [Insert Contact Information].

Best regards,

[Signature]

[Name]

[Title]