

INTERNAL MEMORANDUM

TO: [Department Name/Head of Treasury/Risk Management]

FROM: [Your Name/Regulatory Compliance Department]

DATE: [Insert Date]

SUBJECT: Compliance with Memorandum on Liquidity Ratio Reporting Requirements

Dear [Name/Team],

This memorandum serves to formally address the recent regulatory requirements regarding Liquidity Ratio Reporting. We are committed to ensuring our institution remains in full compliance with the mandated liquidity coverage and reporting standards.

1. Regulatory Background

The regulatory authority has issued updated guidelines regarding the frequency, accuracy, and threshold levels for liquidity ratios, specifically focusing on the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR).

2. Reporting Schedule

Effective [Insert Date], all departments must provide necessary data inputs by [Insert Day/Time] of each reporting cycle. This is to ensure the final report is submitted to the regulatory body by the [Insert Deadline] deadline.

3. Internal Action Plan

- **Data Verification:** The Treasury department will verify the high-quality liquid assets (HQLA) daily.
- **Stress Testing:** Risk management will conduct weekly stress tests to evaluate the impact of market volatility on our ratios.
- **Audit Trail:** All reporting documentation must be stored in the centralized compliance folder for internal audit review.

4. Variance and Breach Protocols

Any projected breach of the internal liquidity buffer or the regulatory minimum must be escalated immediately to the Chief Risk Officer and the Assets and Liabilities Committee (ALCO).

Failure to adhere to these reporting requirements may result in regulatory penalties and increased oversight. Please acknowledge receipt of this memorandum and confirm your department's readiness to implement these changes.

Sincerely,

[Signature]

[Your Title]

[Bank Name]