[Your Company Name]
[Compliance/Legal Department]
[Street Address]
[City, State, Zip Code]

[Date]

[Name of Regulatory Agency/Contact Person]
[Agency Address]
[City, State, Zip Code]

RE: Self-Disclosure of Non-Compliance - ARM Adjustment Notice Requirements

To Whom It May Concern,

This letter serves as a formal self-disclosure by [Your Company Name] regarding a failure to comply with the timing and/or content requirements for Adjustable Rate Mortgage (ARM) adjustment notices as required under [Specific Regulation, e.g., Regulation Z, 12 CFR 1026.20].

Description of Non-Compliance:
During a [recent internal audit/routine review] conducted on [Date], it was discovered that [Number] of ARM loans did not receive the required rate adjustment notices within the prescribed timeframe of 60 to 120 days prior to the first payment at the new rate. Specifically, the error occurred between [Start Date] and [End Date].

Root Cause:
The failure was attributed to [provide brief reason, e.g., a system configuration error, manual processing oversight, or a software update glitch].

Impacted Population:
A total of [Number] borrowers were impacted by this error. The total financial impact, including overcharged interest (if any), is estimated at $[Amount].

Remediation Plan:
[Your Company Name] has initiated the following corrective actions:

- Immediate delivery of corrected notices to all affected borrowers.
- Refunds or account credits for any overpaid interest resulting from the delayed notice.
- Implementation of [New Control/Software Patch] to prevent recurrence.
- Enhanced training for staff involved in the ARM adjustment process.

Conclusion:
We take our regulatory obligations seriously and are committed to ensuring all affected borrowers are made whole. We will provide a final report upon the completion of all remediation efforts. Please contact [Contact Name] at [Phone Number] or [Email Address] should you require further information.

Sincerely,

[Signature]

[Name of Officer]
[Title]