DATE: [Insert Date]

TO: The Risk Management Committee

FROM: [Insert Name/Department, e.g., Chief Financial Officer]

SUBJECT: FORMAL WARNING: Identification of Potential Liquidity Shortfall

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Dear Members of the Risk Management Committee,

This letter serves as a formal notification regarding a projected liquidity shortfall identified during our most recent financial monitoring cycle. Based on current cash flow projections and market conditions, our liquidity ratios are expected to fall below the minimum internal thresholds established in our Risk Management Policy.

1. Nature of the Risk:
[Insert brief description, e.g., Delayed accounts receivable, unexpected capital expenditure, or tightening of credit lines.]

2. Estimated Impact:
[Insert details, e.g., Projected cash deficit of $X amount by Date Y; Breach of Net Stable Funding Ratio.]

3. Proposed Mitigation Actions:
The following steps are being initiated to address the shortfall:

- [Action 1: e.g., Drawdown of existing revolving credit facilities]
- [Action 2: e.g., Deferment of non-essential capital projects]
- [Action 3: e.g., Implementation of aggressive collection strategies]

4. Recommendation:
We recommend that the Committee convenes an emergency session to review the Liquidity Contingency Plan and approve the necessary adjustments to our short-term funding strategy.

We remain available to provide a detailed briefing and supporting documentation at your earliest convenience.

Sincerely,

[Signature]
[Name]
[Title]