[Company Letterhead]

[Date]

[Recipient Name]
[Recipient Title]
[Department/Organization Name]
[Address]

Subject: Market Risk Governance Assessment - [Reporting Period/Year]

Dear [Recipient Name],

This letter presents the formal findings of the Market Risk Governance Assessment conducted for [Company Name] covering the period of [Date] to [Date]. The primary objective of this assessment was to evaluate the effectiveness of the current risk management framework, internal controls, and compliance with regulatory standards.

1. Assessment Scope
The evaluation focused on the following key areas:

- Board and Senior Management oversight.
- Market risk policy framework and limit structures.
- Risk identification, measurement, and reporting methodologies (VaR, Stress Testing, etc.).
- Data integrity and technology infrastructure.
- Internal audit and independent validation processes.

2. Summary of Findings
Based on our review, the market risk governance framework is currently rated as [Satisfactory / Needs Improvement / Unsatisfactory]. Key observations include:

- [Insert key strength or successful implementation].
- [Insert primary area of concern or identified gap].
- [Insert note on regulatory alignment].

3. Required Actions
To ensure continued alignment with the risk appetite statement and regulatory expectations, the following actions are required:

- [Action Item 1: e.g., Update limit breach escalation protocols].
- [Action Item 2: e.g., Enhance granularity of stress testing scenarios].
- [Action Item 3: e.g., Formalize the model validation schedule].

4. Conclusion
The management team is requested to provide a written response and a remediation timeline for

the findings noted above by [Due Date]. We will conduct a follow-up review on [Follow-up Date] to ensure all recommendations have been implemented.

Sincerely,

[Signature]

[Name of Assessor/Risk Officer]
[Title]
[Department]