

[Company Letterhead / Logo]

[Date]

[Shareholder Name]

[Shareholder Address]

[City, State, Zip Code]

RE: Notice of Dividend Payment Restriction - Stress Test Results

Dear Shareholder,

We are writing to formally notify you regarding a temporary restriction on the payment of dividends for the upcoming period ending [Date].

Following the completion of our most recent annual stress test as mandated by [Regulatory Body Name], [Company Name]'s capital levels have fallen below the required threshold necessary to maintain unrestricted capital distributions. Specifically, the results indicate that under the prescribed hypothetical economic scenarios, our [Common Equity Tier 1 / Capital Adequacy] ratio did not meet the minimum regulatory requirements.

As a result of these findings, and in accordance with [Regulation Name/Number], the company is required to preserve capital by suspending dividend payments effective immediately. This measure is intended to strengthen our balance sheet and ensure the long-term financial stability of the institution.

Our management team is currently implementing a capital restoration plan, which includes:

- Retention of future earnings to rebuild capital buffers.
- Adjustments to risk-weighted assets.
- Enhanced monitoring of credit and market risk exposure.

We remain committed to returning capital to our shareholders once we have successfully met all regulatory requirements and restored our capital position to the satisfaction of our regulators.

Further updates regarding the reinstatement of dividend payments will be provided during our next quarterly earnings communication.

Sincerely,

[Signature]

[Name of Authorized Officer]

[Title]

[Company Name]