

OFFICIAL NOTICE: REGULATORY RESTRICTION

Date: [Insert Date]

[Recipient Name]
[Title]
[Institution Name]
[Address Line 1]
[Address Line 2]

Re: Notice of Restriction on Golden Parachute Payments

Dear [Recipient Name],

This letter serves as official notification regarding the limitations placed on [Institution Name] (the "Institution") concerning the payment of "golden parachutes" or indemnification payments, pursuant to [Insert Applicable Law/Regulation, e.g., 12 U.S.C. § 1828(k) and 12 C.F.R. Part 359].

Based on the Institution's current regulatory status as [Insert Status, e.g., Troubled Condition / Undercapitalized], the Institution is hereby prohibited from making any "golden parachute" payment to any institution-affiliated party (IAP) without prior written approval from [Insert Regulatory Body Name].

A "golden parachute payment" includes any payment (or agreement to make a payment) in the nature of compensation for the benefit of any IAP that is contingent on the termination of that party's affiliation with the Institution and is received on or after the date on which the Institution became subject to these restrictions.

To request an exception for a prohibited payment, the Institution must submit a formal application demonstrating that:

- The IAP has not committed any fraudulent act or omission, breach of trust, or fiduciary duty;
- The IAP is not substantially responsible for the Institution's current financial condition;
- The payment is reasonable and does not represent an undue burden on the Institution's capital.

Failure to comply with these restrictions may result in formal enforcement actions, including civil money penalties.

Please acknowledge receipt of this letter by signing below and returning a copy to this office within [Number] business days.

Sincerely,

[Signature]
[Name of Supervisory Official]
[Title]
[Regulatory Agency Name]

Acknowledgment of Receipt:

Signature: _____ Date: _____

Name: [Name of Institution Officer]

Title: [Title]