

Date: [Insert Date]

To: [Branch Manager Name]

Employee ID: [Insert ID]

Branch: [Insert Branch Name/Location]

Subject: Formal Warning Letter - Failure to Report/Identify Suspicious Account Activity

Dear [Branch Manager Name],

This letter serves as a formal warning regarding your failure to exercise due diligence in monitoring and reporting suspicious transactions within your branch. Following a recent internal audit on [Date], it was discovered that several high-risk activities occurred between [Start Date] and [End Date] that were not flagged or escalated according to our Anti-Money Laundering (AML) and Know Your Customer (KYC) policies.

The specific oversight involves the following account(s):

- Account Number(s): [Insert Account Numbers]
- Nature of Activity: [Describe activity, e.g., large cash deposits, rapid transfers, unusual structuring]

As a Branch Manager, it is your primary responsibility to ensure that all staff adhere to regulatory compliance standards and that any "red flag" indicators are investigated immediately. Overlooking these activities exposes the institution to significant legal, financial, and reputational risks.

You are required to take the following actions immediately:

- Complete the mandatory Compliance Re-training Module by [Deadline Date].
- Provide a written explanation for the oversight of the aforementioned accounts.
- Conduct a comprehensive review of all current high-risk accounts at your branch.

Please be advised that further instances of negligence or failure to comply with banking regulations may result in more severe disciplinary action, up to and including termination of employment.

A copy of this letter will be placed in your permanent personnel file.

Sincerely,

[Your Name]

[Your Title/Operations Manager]

[Company Name]

Employee Acknowledgment:

I acknowledge that I have received this letter and understand the seriousness of the situation.

[Signature of Employee]