

DATE: [Insert Date]

TO: [Insert Client Name/Borrower Name]

ATTN: [Insert Contact Person/Department]

ADDRESS: [Insert Client Address]

RE: Risk Advisory Notice - Unfunded Credit Facility [Insert Facility ID/Reference Number]

Dear [Insert Client Name],

This letter serves as a formal risk advisory regarding the unfunded portion of your credit facility totaling [Insert Amount/Currency], as established under the agreement dated [Insert Agreement Date].

We wish to advise you of the following risk factors and considerations associated with maintaining this unfunded exposure:

- **Market Conditions:** Future funding requests are subject to the terms and conditions of the credit agreement. Significant adverse changes in the global or local financial markets may impact liquidity availability.
- **Financial Covenants:** Continued access to the unfunded portion of this facility is contingent upon your ongoing compliance with all financial covenants and reporting requirements as outlined in the facility agreement.
- **Commitment Fees:** Please be reminded that commitment fees of [Insert Percentage]% per annum continue to accrue on the undrawn portion of the facility and are payable on [Insert Payment Frequency/Dates].
- **Credit Rating Impact:** Changes in your organization's credit profile or debt-to-equity ratios may result in a formal review of the facility terms or the availability of the unfunded limit.
- **Regulatory Requirements:** The lender's ability to fund may be influenced by changes in regulatory capital requirements or lending constraints imposed by governing financial authorities.

This advisory is provided for your information and financial planning purposes. It does not constitute a notice of default or a cancellation of the facility at this time. We recommend that your treasury or finance department reviews these factors in the context of your upcoming capital requirements.

Should you have any questions regarding this advisory or wish to discuss your funding strategy, please contact your Relationship Manager at [Insert Phone Number] or [Insert Email Address].

Sincerely,

[Insert Authorized Signatory Name]

[Insert Job Title]

[Insert Institution/Bank Name]