

URGENT: NOTICE OF INTENT TO EXERCISE RIGHT OF SETOFF

Date: [Insert Date]

To: [Borrower Name]
[Borrower Address]
[City, State, Zip Code]

Re: Notice of Default and Intent to Setoff Accounts

Dear [Borrower Name],

This letter serves as formal notice regarding your default under the terms of [Loan Agreement Name/Number], dated [Date of Agreement].

Pursuant to the "Cross-Default" provisions contained within your various agreements with [Financial Institution Name], a default under any one obligation constitutes a default under all obligations held with this institution. Because you have failed to cure the default on [Specific Defaulted Account], we hereby declare all your outstanding obligations to be immediately due and payable.

Intent to Exercise Setoff

Please be advised that [Financial Institution Name] intends to exercise its legal right of setoff. This means we intend to apply the funds currently held in your [Deposit/Savings/Investment] Account(s) No. [Account Number(s)] to satisfy the outstanding balance of your defaulted debt(s).

Summary of Debt:

- Defaulted Account Balance: \$[Amount]
- Total Accelerated Indebtedness: \$[Total Amount]

To prevent the seizure of these funds, you must remit the total past-due amount of \$[Amount] or contact the undersigned at [Phone Number] no later than [Deadline Date/Time] to arrange a repayment plan.

Failure to respond by the deadline will result in the immediate administrative freeze and subsequent setoff of your accounts without further notice, as permitted by law and your signed agreements.

Sincerely,

[Name of Officer]
[Title]
[Financial Institution Name]