

SENT VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Date: [Current Date]

To: [Name of Guarantor]
[Guarantor's Street Address]
[City, State, Zip Code]

RE: NOTICE OF DEFICIENCY AND DEMAND FOR PAYMENT

Loan Account Number: [Loan Number]
Original Borrower: [Business Name]
Date of Guarantee: [Date Agreement was Signed]

Dear [Guarantor Name],

This letter serves as formal notice regarding the default of the small business loan issued to [Business Name] (the "Borrower"), for which you executed a personal guarantee on [Date].

Following the default of the Borrower and the subsequent liquidation of collateral held as security for the loan, a deficiency remains. The proceeds from the sale of the assets were insufficient to satisfy the total outstanding debt.

As of [Date], the total amount due and owing under your personal guarantee is **[\$Amount]**. This balance includes:

- Principal Balance: **[\$Amount]**
- Accrued Interest: **[\$Amount]**
- Late Fees/Penalties: **[\$Amount]**
- Legal and Collection Costs: **[\$Amount]**

Pursuant to the terms of the Guarantee Agreement, you are personally liable for the immediate payment of this deficiency. Demand is hereby made upon you for the full payment of **[\$Total Amount]** to be received by our office no later than [Date, e.g., 10-15 days from letter date].

Payment should be made via [Wire Transfer/Certified Check] to the following address:

[Lender Name]
[Payment Address]
[City, State, Zip Code]

Failure to satisfy this demand or contact the undersigned to arrange a payment plan by the date specified above may result in further legal action to enforce the guarantee, which may include the filing of a lawsuit, wage garnishment, or the placement of liens against your personal property.

Please contact [Name of Contact Person] at [Phone Number] or [Email Address] immediately to discuss this matter.

Sincerely,

[Signature]

[Printed Name]

[Title]

[Lender/Company Name]