[Date]

[Borrower Name]
[Business Name]
[Street Address]
[City, State, Zip Code]

RE: NOTICE OF NEGATIVE INFORMATION REGARDING LOAN ACCOUNT: #[Account Number]

Dear [Borrower Name],

This letter is to formally notify you that we are reporting or have recently reported negative information to a credit reporting agency regarding your small business loan account referenced above.

The information reported is based on a default in the terms of your credit agreement, specifically:

- Failure to make required payments as agreed.
- Current delinquency status of [Number] days past due.
- [Optional: Other specific default reason].

This negative information may be reflected on your business and/or personal credit report. As a result, this may negatively impact your credit score and your ability to obtain future credit, insurance, or other financial services.

Under the Fair Credit Reporting Act, you have the right to dispute the accuracy of information reported. If you believe the information provided is inaccurate, please submit a written dispute to the address below, including any supporting documentation.

To discuss repayment options or to rectify this default, please contact our collections department immediately at [Phone Number].

Sincerely,

[Name of Financial Institution]
[Department Name]
[Contact Address]
[Contact Phone Number]