

[Date]

[Lender Name]

[Department Name / Relationship Manager]

[Address]

[City, State, Zip Code]

RE: Notification of Shift in Margin Management Strategy - Account [Account Number]

Dear [Name of Contact],

This letter serves as formal notification regarding a strategic adjustment in the margin management and collateralization approach for [Borrower Name]. Following a periodic review by our investment committee and risk management team, we are implementing shifts in our borrowing strategy effective [Date].

Key Strategic Adjustments:

- **Leverage Targets:** We are adjusting our target Debt-to-Equity ratios from [Old Ratio] to [New Ratio] to optimize capital efficiency.
- **Collateral Concentration:** We are diversifying our pledged asset pool to include [New Asset Classes] to mitigate volatility risks.
- **Liquidity Buffers:** We are increasing our maintained cash equivalents within the margin account to [Percentage/Amount] to ensure rapid response to market fluctuations.

These adjustments are intended to align our margin usage with current market volatility and our long-term institutional risk appetite. We do not anticipate any breaches of existing covenants or maintenance requirements under our current Credit Agreement.

We remain committed to transparency and maintaining a robust collateral position. Our treasury team is available to discuss these adjustments or provide updated financial statements at your convenience.

Please acknowledge receipt of this notification. Should you have any questions, please contact [Contact Name] at [Phone Number] or [Email].

Sincerely,

[Signature]

[Name]

[Title]

[Borrower Name]