

NOTICE OF BREACH OF COVENANT

Date: [Insert Date]

To: [Name of Officer]
[Company Name]
[Company Address]

Re: Notice of Default regarding Asset Sale Covenant

Dear [Name],

Reference is made to the [Name of Agreement, e.g., Credit Agreement/Indenture] dated as of [Date] (the "Agreement") by and between [Name of Party] and [Name of Party]. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

Pursuant to Section [Insert Section Number] of the Agreement, the Company is restricted from selling, transferring, or otherwise disposing of assets except under specific conditions. It has come to our attention that a breach of this covenant has occurred as follows:

Description of Breach:

[Provide details of the unauthorized asset sale, including date, asset description, and transaction value].

This transaction constitutes a violation of the Agreement because [explain why, e.g., the sale exceeded the permitted threshold/was not for fair market value/was not an excluded disposal].

This letter serves as formal notice of the breach. Under the terms of the Agreement, this breach constitutes an Event of Default [if applicable, add: following the expiration of the cure period ending on [Date]].

We hereby demand that the Company [specify required action, e.g., reverse the transaction/deposit proceeds into a restricted account/provide a plan of remediation] immediately. We reserve all rights, powers, and remedies available under the Agreement and applicable law.

Please contact the undersigned by [Date] to discuss this matter.

Sincerely,

[Signature]
[Printed Name]
[Title]
[Organization]