

[Date]

[Recipient Name]

[Recipient Title]

[Company Name]

[Address Line 1]

[Address Line 2]

RE: NOTICE OF BREACH OF MINIMUM LIQUIDITY COVENANT

Dear [Recipient Name],

Reference is made to the [Name of Loan/Credit Agreement] dated [Date of Agreement] (the "Agreement") by and between [Borrower Name] (the "Borrower") and [Lender Name] (the "Lender").

Pursuant to Section [Section Number] of the Agreement, the Borrower is required to maintain a Minimum Liquidity of [Dollar Amount] at all times. Based on the compliance certificate and financial statements provided for the period ending [Date], the Borrower's actual liquidity was [Actual Dollar Amount].

This letter serves as formal notice that the Borrower is in breach of the Minimum Liquidity Covenant. This breach constitutes an Event of Default under Section [Section Number] of the Agreement.

As a result of this default, the Lender hereby reserves all rights, powers, and remedies available under the Agreement and applicable law. No delay or omission on the part of the Lender in exercising any right shall operate as a waiver of such right.

The Lender requests that the Borrower submit a written plan by [Deadline Date] detailing the steps intended to be taken to cure this breach and restore compliance with the financial covenants.

Please acknowledge receipt of this notice.

Sincerely,

[Your Name/Signature]

[Your Title]

[Lender Name]