

[Date]

[Borrower Name]

[Attention: Contact Person]

[Street Address]

[City, State, Zip Code]

RE: Notice of Denial for Covenant Waiver - Loan Number: [Loan Number]

Dear [Contact Person Name],

We are writing in response to your request dated [Date of Request] regarding a waiver for the following financial covenant(s) as outlined in the Commercial Loan Agreement dated [Original Loan Date]:

- [Name of Covenant, e.g., Debt Service Coverage Ratio]
- [Name of Covenant, e.g., Maximum Leverage Ratio]

After a thorough review of your financial statements and current business performance, [Bank Name] is unable to grant your request for a waiver at this time. Our decision is based on the following factor(s):

[Insert specific reason, e.g., Continued decline in operating cash flow / Failure to meet minimum liquidity requirements / General credit policy requirements].

Please be advised that the failure to maintain these covenants constitutes an Event of Default under the terms of your Loan Agreement. While we are not exercising our full legal remedies at this immediate moment, the Bank reserves all rights, powers, and remedies available under the Loan Documents and applicable law.

We require a meeting to discuss a formal remediation plan. Please contact your Relationship Manager, [Manager Name], at [Phone Number] by [Date] to schedule this discussion.

Sincerely,

[Authorized Signature]

[Printed Name]

[Title]

[Bank Name]