

[Sender Name/Bank Department]
[Bank Name]
[Address]
[City, State, Zip Code]

[Date]

[Guarantor Name]
[Address]
[City, State, Zip Code]

RE: FORMAL DEMAND FOR ENVIRONMENTAL INDEMNIFICATION

Loan Number: [Loan Number]
Property Address: [Collateral Property Address]
Guaranty Agreement Date: [Date of Agreement]

Dear [Guarantor Name],

This letter serves as formal notice and demand for indemnification pursuant to the terms of the Environmental Indemnity Agreement and/or the Commercial Guaranty executed by you in connection with the above-referenced loan.

It has been determined that an Environmental Event has occurred at the subject property, specifically: [Brief description of contamination, hazardous substance release, or regulatory violation].

Under the terms of your Guaranty, you have unconditionally agreed to indemnify, defend, and hold [Bank Name] harmless from any and all losses, liabilities, damages, and costs arising from environmental conditions on the property.

As a result of this condition, the following costs have been incurred or are anticipated:

- Remediation Costs: \$[Amount]
- Assessment/Testing Fees: \$[Amount]
- Legal/Regulatory Fees: \$[Amount]
- Other Costs: \$[Amount]

Total Demand Amount: \$[Total Amount]

Please remit the total amount stated above to [Bank Name] within [Number] days of the date of this letter. Payment should be made via [Wire Transfer/Check] according to the attached instructions.

Failure to comply with this demand may result in further legal action to enforce the Bank's rights under the Guaranty, including the recovery of additional attorney fees and collection costs.

Nothing contained in this letter shall be deemed a waiver of any rights or remedies available to [Bank Name] under the loan documents or applicable law.

Sincerely,

[Authorized Signature]
[Name and Title]
[Bank Name]