

[Company Letterhead / Logo]

Date: [Insert Date]

To: All Shareholders of [Company Name]

Subject: Notice of Dividend Payment Restriction

Dear Shareholder,

This formal notice is to inform you that the Board of Directors of [Company Name] (the "Company") has determined that the Company is currently restricted from declaring or paying dividends to its shareholders.

This restriction is effective as of [Date] and will remain in place until further notice. The decision to restrict dividend payments has been made based on the following factor(s):

- [Insert Reason: e.g., Regulatory requirements / Loan covenant restrictions / Preservation of capital for strategic investment / Financial performance criteria]

The Board of Directors has determined that this action is necessary to ensure the long-term financial stability of the Company and to comply with [mention specific legal or contractual obligations, if applicable].

We understand the importance of dividends to our shareholders and assure you that the Board will review this restriction periodically. We remain committed to returning to a regular dividend policy as soon as conditions permit and the Company meets the necessary financial and legal requirements.

We appreciate your continued support and confidence in [Company Name]. Should you have any questions regarding this notice, please contact our Investor Relations department at [Contact Information].

Sincerely,

[Signature]

[Name of Officer]

[Title, e.g., Corporate Secretary / CFO]

[Company Name]