

[Date]

[Recipient Name]

[Recipient Address]

[City, State, Zip Code]

**RE: Notice of Collateral Shortfall - Account Number: [Account Number]**

Dear [Recipient Name],

This letter is to formally notify you that as of [Date/Time], the value of the collateral held against your outstanding credit facility has fallen below the required minimum threshold specified in your agreement dated [Agreement Date].

**Current Status:**

- Required Collateral Value: [Amount/Ratio]
- Current Collateral Value: [Amount/Ratio]
- Shortfall Amount: [Amount]

Pursuant to the terms of our agreement, you are required to remedy this shortfall by [Deadline Date/Time]. You may resolve this matter by:

1. Depositing additional eligible collateral into the account.
2. Providing a partial repayment of the outstanding loan balance to restore the required ratio.
3. Liquidating existing assets to cover the deficit.

Please be advised that if the shortfall is not rectified by the specified deadline, we reserve the right to take necessary actions as permitted under the agreement, which may include the liquidation of current collateral without further notice.

If you have already taken steps to address this balance or have any questions regarding this valuation, please contact your account manager immediately at [Phone Number] or [Email Address].

Sincerely,

[Your Name/Signature]

[Your Title]

[Organization Name]