

[Sender's Name/Financial Institution]

[Department]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

[Date]

[Borrower's Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

**RE: NOTICE OF DEFAULT WARNING - BREACH OF CROSS-COLLATERAL PROVISION**

Dear [Borrower's Name],

This letter serves as formal notice regarding a default under the terms of your loan agreements with [Financial Institution Name]. Specifically, this notice pertains to the Cross-Collateralization provision contained within the following accounts:

- **Primary Default Account:** [Loan Number A]
- **Cross-Collateralized Account(s):** [Loan Number B], [Loan Number C]

As of [Date], Account [Loan Number A] is in default due to [Reason, e.g., Non-payment/Expiry]. Under the terms of the Security Agreement(s) signed on [Date of Agreement], the collateral securing Account(s) [List Cross-Collateralized Accounts] also serves as security for all other debts owed to this institution.

**Impact of Default:**

Because of the cross-collateral provision, the default on [Loan Number A] constitutes a technical default on all linked accounts. As a result, [Financial Institution Name] reserves the right to:

- Withhold the release of liens on any collateral until all debts are satisfied.
- Accelerate the full balance of all cross-collateralized loans.
- Commence repossession or foreclosure proceedings against the collateral held for any of the above accounts.

**Required Action:**

To prevent further enforcement actions, you must cure the default on Account [Loan Number A] by paying the past due amount of \$[Amount] or [Other Required Action] no later than [Deadline Date].

Please contact our [Department Name] at [Phone Number] immediately to discuss your payment options or to provide proof of compliance.

Sincerely,

[Signature]

[Name of Officer]

[Title]