

# NOTICE OF DEFAULT

This is a customizable starting template, not a finished legal document. Replace every [BRACKETED] field with your specifics, delete or adapt any clause that does not fit your situation, and have a licensed attorney in the governing jurisdiction review it before you or anyone else signs. CyberSygn is not a law firm and this template is not legal advice.

Date: [DATE OF NOTICE]

From (the "Non-Defaulting Party"): [YOUR NAME OR BUSINESS NAME], with a mailing address of [YOUR ADDRESS] ("Non-Defaulting Party," "I," or "we").

To (the "Defaulting Party"): [OTHER PARTY NAME OR BUSINESS NAME], with a mailing address of [OTHER PARTY ADDRESS] ("Defaulting Party" or "you").

Sent by: [CERTIFIED MAIL, RETURN RECEIPT REQUESTED / EMAIL / HAND DELIVERY / THE METHOD REQUIRED BY THE AGREEMENT].

Re: Notice of default under [NAME OF AGREEMENT / NOTE / LEASE] dated [AGREEMENT DATE].

**Recitals.** This letter (this "Notice") gives the Defaulting Party formal, written notice that it is in default under the agreement, note, or instrument identified below (the "**Agreement**"), specifies the default, and demands that the Defaulting Party cure the default within the period stated in **Section 4**. The Non-Defaulting Party sends this Notice to satisfy any notice-of-default requirement in the Agreement and to preserve its rights and remedies. Nothing in this Notice waives, limits, or releases any right or remedy of the Non-Defaulting Party, all of which are expressly reserved.

## 1. The Agreement

**1.1 Identification.** The parties are bound by the Agreement titled [AGREEMENT TITLE — e.g. Promissory Note, Loan Agreement, Lease, Security Agreement], dated [AGREEMENT DATE], between the Non-Defaulting Party and the Defaulting Party [and any guarantor or other party].

**1.2 Relevant obligation.** Under the Agreement, the Defaulting Party is obligated to [DESCRIBE THE OBLIGATION — e.g. make scheduled payments, maintain insurance, keep collateral in good condition, observe a financial covenant, or perform a described duty], as set out in [SECTION OR PARAGRAPH NUMBER OF THE AGREEMENT].

**1.3 Standing.** The Non-Defaulting Party is the [lender / lessor / secured party / counterparty / holder of the note] entitled to enforce the Agreement and to give this Notice.

## 2. The Event of Default

**2.1 Description of the default.** An event of default has occurred because the Defaulting Party has [failed to make the payment due on [DATE] / failed to perform the obligation described above / breached the covenant identified below / allowed another event of default specified in the Agreement to occur].

**2.2 Specific facts.** The facts supporting the default are: [STATE DATES, AMOUNTS, MISSED PAYMENTS, OR OTHER SPECIFIC FACTS]. As of the date of this Notice, the Defaulting Party has not cured the default.

2.3 **Cross-default (if applicable).** [OPTIONAL: A default under this Agreement may also constitute a default under [OTHER RELATED AGREEMENT], to the extent that agreement so provides.]

### 3. Amounts in Default (If Monetary)

3.1 **Past-due amount.** If the default involves money, the amounts currently in default are: past-due principal [PRINCIPAL]; accrued interest [INTEREST]; late charges, if allowed [LATE CHARGES]; and other recoverable amounts [OTHER], for a total currently in default of [TOTAL IN DEFAULT].

3.2 **Default interest and charges.** From the date of default, interest may accrue at the default rate stated in the Agreement, or, if none, at the rate allowed by the law of [STATE], together with any late charges the Agreement permits. The Non-Defaulting Party will apply only amounts and rates that are lawfully chargeable.

3.3 **Continuing accrual.** The amounts stated above may increase as interest, charges, and costs continue to accrue until the default is cured or the obligation is satisfied in full.

### 4. Right to Cure

4.1 **Demand to cure.** The Non-Defaulting Party demands that the Defaulting Party cure the default by [paying the total amount in default / performing the obligation / restoring the covenant to compliance] on or before [DEADLINE DATE — e.g. [NUMBER] days from the date of this Notice, or the cure period stated in the Agreement if longer] (the "Cure Period").

4.2 **Contractual and legal cure provisions.** If the Agreement or applicable law provides a specific cure period or method for this type of default, that provision controls and this Notice is intended to comply with it. Some agreements and laws require a minimum cure period; where they do, the longer period applies.

4.3 **How to cure.** The Defaulting Party may cure by [delivering payment to [NAME] at [ADDRESS] by [acceptable methods] / completing the required performance / providing written evidence of compliance], referencing [ACCOUNT OR LOAN NUMBER].

4.4 **Reinstatement.** A timely and complete cure within the Cure Period will, to the extent the Agreement and applicable law allow, reinstate the Agreement and avoid acceleration and the other remedies described below.

### 5. Consequences if the Default Is Not Cured

5.1 **Acceleration.** If the Defaulting Party does not cure within the Cure Period, the Non-Defaulting Party may, where the Agreement permits, declare the entire unpaid balance and all accrued amounts immediately due and payable ("acceleration"), without further notice or demand.

5.2 **Other remedies.** The Non-Defaulting Party may also exercise any other remedy available under the Agreement and applicable law, which may include [enforcing a security interest or lien / repossessing or foreclosing on collateral as the law allows / suing on the obligation / pursuing a guarantor / terminating the Agreement].

5.3 **Costs and fees.** In enforcing its rights, the Non-Defaulting Party may seek [interest, costs of collection, and, where the Agreement or a statute allows, reasonable attorneys' fees] to the extent permitted by law.

5.4 **No self-help beyond the law.** The Non-Defaulting Party will exercise its remedies only as the Agreement and applicable law permit, including any required notice, redemption, or judicial-process protections that apply to collateral or secured property.

### 6. Reservation of Rights and No Waiver

**6.1 All rights reserved.** This Notice is not a complete statement of the facts or law and is not a waiver or release of any right, claim, or remedy. The Non-Defaulting Party expressly reserves all rights and remedies under the Agreement and at law or in equity.

**6.2 No waiver by acceptance or forbearance.** Acceptance of a partial or late payment, or any delay in enforcing the Agreement, does not waive the default, reinstate the Agreement, or waive any right unless the Non-Defaulting Party agrees in a signed writing.

**6.3 No election of remedies.** Sending this Notice is not an election of remedies and does not commit the Non-Defaulting Party to any single course of action.

## 7. Opportunity to Resolve and Governing Law

**7.1 Preference for resolution.** The Non-Defaulting Party would prefer to resolve this matter without further escalation and is willing to discuss **[a forbearance, a modification, or a payment arrangement]** if the Defaulting Party responds promptly and in good faith. Any such arrangement is effective only if put in a signed writing.

**7.2 How to respond.** Please direct any response to **[CONTACT NAME]** at **[EMAIL / PHONE / ADDRESS]** before the end of the Cure Period.

**7.3 Required notices.** Where applicable law requires specific default-notice language, redemption rights, or consumer disclosures, the Non-Defaulting Party intends to comply with those requirements, and this Notice should be read together with any separately required notice.

**7.4 Governing law.** The Agreement and this Notice are governed by the laws of the State of **[STATE]**, and any action may be brought in the courts located in **[COUNTY, STATE]** or as otherwise required by the Agreement or by law.

Please treat this Notice as the Non-Defaulting Party's formal notice of default and demand to cure. The Non-Defaulting Party reserves all rights and remedies if the default is not cured within the Cure Period.

### NON-DEFAULTING PARTY

---

Signature: \_\_\_\_\_

---

Printed name: **[NAME]**

---

Title: **[TITLE OR N/A]**

---

Date: \_\_\_\_\_

**Enclosures:** **[LIST ENCLOSED DOCUMENTS — e.g. payment history, the Agreement, or "None"]**

---

*Template provided by CyberSygn. Not legal advice. CyberSygn is not a law firm. Consult a licensed attorney in your jurisdiction before relying on this document.*