

[Date]

[Name of Individual Director/Officer]

[Name of Corporation]

[Street Address]

[City, State, Zip Code]

Re: NOTICE OF INTENT TO INITIATE DERIVATIVE ACTION AND DEMAND FOR GOOD FAITH RESOLUTION

To the Board of Directors:

This letter is formal notice on behalf of [Shareholder Name], a current shareholder of [Corporation Name] (the "Company"), regarding breaches of fiduciary duties and corporate waste by certain officers and directors of the Company.

I. Statement of Claims

Based on our investigation, the following individuals have engaged in wrongful conduct: [Names of specific Directors/Officers]. The factual basis for these claims includes, but is not limited to: [Provide brief, specific description of the misconduct, such as self-dealing, gross negligence, or failure of oversight].

II. Formal Demand for Action

Pursuant to [Applicable State Statute/Rule of Civil Procedure], [Shareholder Name] hereby demands that the Board of Directors take the following actions within [Number, e.g., 90] days:

- Initiate legal proceedings against the responsible parties to recover damages sustained by the Company.
- Implement internal controls and governance reforms to prevent future recurrences.
- [Additional specific remedial demands].

III. Good Faith Resolution Offer

In accordance with the principles of judicial economy and the Company's best interests, [Shareholder Name] is prepared to engage in a good faith dialogue to resolve these matters without the necessity of formal litigation. We are available to meet with a special committee of independent directors or participate in a formal mediation process.

IV. Preservation of Records

The Company is hereby instructed to preserve all documents, electronic data, and communications related to the aforementioned conduct. Failure to do so may result in sanctions for spoliation of evidence.

Please respond in writing within [Number] days to indicate whether the Board intends to comply with this demand or engage in settlement discussions.

Sincerely,

[Your Signature]

[Your Printed Name]

[Title/Capacity, e.g., Counsel for Shareholder]