

## **NOTICE OF DEFAULT**

Date: [Insert Date]

To: [Name of Defaulting Shareholder]

Address: [Insert Address]

Re: Notice of Default regarding Shareholder Agreement dated [Insert Date of Agreement]

Dear [Insert Name],

This letter serves as formal notice that you are in breach of the Shareholder Agreement dated [Insert Date] (the "Agreement") governing [Insert Company Name].

### **Description of Default:**

You have failed to comply with Section [Insert Section Number] of the Agreement. Specifically, the nature of the default is as follows: [Provide a detailed description of the breach, e.g., failure to provide capital contribution, unauthorized transfer of shares, or breach of confidentiality].

### **Required Cure:**

Pursuant to Section [Insert Section Number] of the Agreement, you are hereby requested to remedy this default by performing the following actions: [Describe exact steps needed to fix the breach].

### **Cure Period:**

In accordance with the Agreement, you have [Insert Number of Days] days from the receipt of this notice to cure the aforementioned default. This period expires on [Insert Deadline Date].

### **Consequences of Failure to Cure:**

If the default is not cured within the specified timeframe, the Company and/or the non-defaulting shareholders reserve the right to exercise any and all remedies available under the Agreement and applicable law. This may include, but is not limited to:

- Suspension of voting rights;
- Forced sale or redemption of your shares;
- Removal from the Board of Directors;
- Legal action for damages.

Please acknowledge receipt of this notice and confirm your intent to remedy the breach immediately.

Sincerely,

[Your Signature]

[Your Printed Name]

[Your Title/Role, e.g., CEO or Managing Shareholder]  
On behalf of [Insert Company Name]