

NOTICE OF DISPOSITION OF COLLATERAL

TO: [NAME OF DEBTOR]
[Address of Debtor]

TO: [List the secured parties to whom this is being sent, along with their addresses – if there are several, attach a schedule and refer to them here as “THE SECURED PARTIES IDENTIFIED ON THE ATTACHED SCHEDULE”]

RE: Security Agreement dated _____ [insert date] (“Security Agreement”) between [NAME OF DEBTOR] (the “Debtor”) and [NAME OF SECURED PARTY SENDING NOTICE] (the “Secured Party”)

TAKE NOTICE that default has been made by the above named Debtor in payment of moneys due under the above noted Security Agreement. In respect of the Security Agreement, a financing statement was registered on the ___ day of _____, _____ as Registration No. _____ which covers the following collateral:

[List the collateral]

AND FURTHER TAKE NOTICE that the above named Secured Party intends to dispose of the collateral described above within _____ days after the date of this Notice.

Upon payment of the total of the amounts set forth below, including accrued interest to and including the date of payment, the collateral may be redeemed.

1. Principal Amount: \$ _____
2. Interest at the rate of _____% per annum calculated from _____ to the date hereof: \$ _____
3. Interest at the rate of _____% per annum, being the sum of \$ _____ per day from the date hereof to date of payment: \$ _____
4. Estimated/actual expenses in retaking, holding, repairing, processing and preparing for disposition and in disposition of the collateral. Total (exclusive of accrued interest from date hereof to date of payment): \$ _____
5. The sum actually in arrears, plus expenses (as in No. 4), exclusive of the operation of any acceleration clause: \$ _____.

Upon payment of this sum, the Debtor may reinstate the Security Agreement.

AND FURTHER TAKE NOTICE that, upon receipt of payment, the payor will be credited with any rebates or allowances to which the Debtor is entitled by law or under the Security Agreement.

AND FURTHER TAKE NOTICE that unless the amount due as described above plus accrued interest is paid by the ___ day of _____, _____, the collateral will be disposed of and the Debtor will be liable for any deficiency.

THIS IS A 3-PAGE FORM.