

REQUEST for ADEQUATE ASSURANCE

(Company Letterhead)

(Date)

(Debtor's Name & Address)

Attn: (Corporate officer or principal)

Dear Mr. _____ :

Seller Corporation entered into several contracts with your company as follows:

1. Date, Contract #, Commodity, Price, Delivery
2. “
3. “

(and so on as appropriate)

These contracts have been extended several times (or substitute, “<Debtor Company Name> has not performed”) according to the terms of these contracts. *Seller Corporation* has made every effort to work with you on these contracts.

It now appears that performance according to the terms of the contracts will not be met. Accordingly, *Seller Corporation* hereby invokes provisions of Article 2 of the Uniform Commercial Code and makes demand for Adequate Assurance that it can expect performance by you of the obligations under the aforementioned contract. We will consider the following as Adequate Assurance of Performance:

1. Receipt of Wire Transfer of Funds in the amount of \$_____.
2. Irrevocable Standby Letter of Credit in the amount of \$_____.

Either form of Adequate Assurance must be received by our office no later than (Day of week), (Calendar date), 20__, or we will have no alternative but to consider Debtor Company name) in default of the aforementioned contracts. At that time, *Seller Corporation* will buy in for your account according to provisions of the TRADE RULES GOVERNING CONTRACTS at market close, ____Date_____.

(Debtor Company Name's) approximate liability should this become necessary will be \$_____.

Seller Corporation's address is:

Attn: Mr.
clo Seller Corporation

(address)

We regret that this action has become necessary. *Seller Corporation* has extended every courtesy to you to accommodate performance. We feel that this matter must be concluded.

Very Truly Yours,