

[Your Company Letterhead]

[Date]

[Recipient Name]

[Recipient Title]

[Recipient Company Name]

[Recipient Address]

[City, State, Zip Code]

Dear [Recipient Name],

Subject: Hypothecation Agreement

We are writing to formalize our agreement regarding the hypothecation of the following assets:

1. [Asset Description 1]

2. [Asset Description 2]

3. [Asset Description 3]

This action is taken to secure the credit extended by [Lender/Bank Name], which amounts to [amount]. By this letter, we confirm that the above-mentioned assets will serve as collateral for the mentioned loan, ensuring that [Lender/Bank Name] has the right to claim these assets in the event of default.

We assure you that these assets are free of any other encumbrances and will remain in our possession during the term of this agreement.

Please find attached the necessary documentation pertinent to this hypothecation. Should you have any questions or require further clarification, feel free to reach out.

Thank you for your cooperation.

Sincerely,

[Your Name]

[Your Title]

[Your Company Name]

[Your Contact Information]