

[Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

**Re: Side Letter to the Working Capital Facility Agreement dated [Date of Original Agreement]**

Dear [Contact Person Name],

This side letter (the "Side Letter") refers to the Working Capital Facility Agreement entered into between [Lender Name] (the "Lender") and [Borrower Name] (the "Borrower") dated [Date] (the "Facility Agreement").

The Lender and the Borrower wish to clarify and/or amend certain terms and conditions regarding the availability and use of the facility as follows:

1. **Specific Use of Proceeds:** Notwithstanding Section [Number] of the Facility Agreement, the Borrower agrees that the proceeds of the facility shall be primarily utilized for [Specific Purpose, e.g., seasonal inventory buildup/short-term bridge financing].
2. **Reporting Requirements:** In addition to the requirements set forth in the Facility Agreement, the Borrower shall provide [Weekly/Monthly] cash flow projections and aging reports to the Lender.
3. **Covenant Modification:** For the period ending [Date], the [Specific Covenant Name] shall be measured at [New Ratio/Amount] instead of the level specified in the Facility Agreement.
4. **Drawdown Conditions:** Each request for a drawdown must be accompanied by [Specific Document/Certificate] confirming that [Condition].

Except as expressly set forth in this Side Letter, all terms and conditions of the Facility Agreement remain in full force and effect. In the event of any conflict between the terms of this Side Letter and the Facility Agreement, the terms of this Side Letter shall prevail.

This Side Letter shall be governed by and construed in accordance with the laws of [Jurisdiction].

Please confirm your agreement to the terms of this Side Letter by signing and returning the enclosed copy.

Yours sincerely,

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[Name of Authorized Signatory]

For and on behalf of [Lender Name]

**Acknowledged and Agreed:**

\_\_\_\_\_  
**[Name of Authorized Signatory]**

For and on behalf of **[Borrower Name]**

Date: \_\_\_\_\_