

[Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

RE: Conditional Commitment for Acquisition Term Loan

Dear [Contact Person Name],

We are pleased to inform you that [Lender Name] ("Lender") has approved your request for a senior secured term loan facility to finance the acquisition of [Target Company Name]. This commitment is subject to the terms and conditions outlined below:

1. FACILITY DETAILS

- **Facility Type:** Acquisition Term Loan
- **Loan Amount:** \$[Amount]
- **Purpose:** To fund the acquisition of [Target Company Name] and related transaction costs.
- **Interest Rate:** [Rate, e.g., SOFR + Spread]
- **Maturity Date:** [Number] years from the closing date.
- **Amortization:** [Repayment Schedule]

2. COLLATERAL AND SECURITY

The loan will be secured by a first-priority perfected security interest in all assets of the Borrower and the Target Company, including but not limited to accounts receivable, inventory, equipment, and intellectual property.

3. CONDITIONS TO CLOSING

This commitment is contingent upon the satisfaction of the following conditions:

- Satisfactory completion of all legal, financial, and operational due diligence.
- Execution of definitive loan documentation acceptable to the Lender.
- Proof of equity contribution of at least \$[Amount] by the Borrower.
- Receipt of certified financial statements and pro forma projections.
- No material adverse change in the business or financial condition of the Borrower or Target.

4. FEES AND EXPENSES

The Borrower agrees to pay an arrangement fee of [Percentage]% upon closing. The Borrower is responsible for all legal fees and out-of-pocket expenses incurred by the Lender, regardless of whether the transaction closes.

5. EXPIRATION

This conditional commitment shall expire on [Date] unless extended in writing by the Lender.

Please indicate your acceptance of these terms by signing below and returning this letter by [Deadline Date].

Sincerely,

[Name of Authorized Signatory]

[Title]

[Lender Name]

ACCEPTED AND AGREED:

By: _____

Name: [Borrower Representative Name]

Date: _____