

[Lender Name]
[Lender Address]
[City, State, Zip Code]

[Date]

[Borrower Name]
[Borrower Address]
[City, State, Zip Code]
Attn: [Contact Person/Title]

RE: Commitment Letter for Equipment Line Venture Debt Facility

Dear [Contact Person Name],

[Lender Name] ("Lender") is pleased to provide this commitment to [Borrower Name] ("Borrower") for an Equipment Line Venture Debt Facility (the "Facility") under the following terms and conditions:

1. FACILITY AMOUNT: Up to \$[Amount] (the "Commitment Amount").

2. PURPOSE: To finance or refinance the purchase of eligible equipment, software, and related hardware used in the ordinary course of Borrower's business.

3. DRAW PERIOD: Borrower may request advances for a period of [Number] months from the Closing Date (the "Draw Period").

4. REPAYMENT TERMS:

- **Interest-Only Period:** [Number] months following each advance.
- **Amortization Period:** [Number] months of equal principal and interest payments following the Interest-Only Period.
- **Final Maturity:** All outstanding balances due no later than [Date/Term].

5. INTEREST RATE: [Rate, e.g., Prime + X%], subject to a floor of [X%].

6. COLLATERAL: A first-priority security interest in all equipment financed under this Facility. [Optional: A secondary lien on all general assets of the company, excluding intellectual property].

7. FEES:

- **Commitment Fee:** [Amount/Percentage] due upon acceptance.
- **Final Payment Fee:** [Percentage]% of the total amount advanced, due at maturity.

8. EQUITY KICKER: Borrower shall issue to Lender warrants to purchase [Number/Percentage] of [Series] Preferred Stock at an exercise price of \$[Amount].

9. FINANCIAL COVENANTS: [Detail specific covenants, e.g., Minimum Cash Balance, Liquidity Ratios, or Performance Milestones].

10. CONDITIONS TO CLOSING: This commitment is subject to the completion of satisfactory legal documentation, final due diligence, and [Specific Conditions].

11. EXPIRATION: This offer expires if not accepted by [Date].

Agreed and Accepted:

FOR [LENDER NAME]:

Signature
[Name and Title]

FOR [BORROWER NAME]:

Signature
[Name and Title]