Subordinated Venture Debt Financing Commitment Letter

Date: [Date]

[Company Name]
[Company Address]
[City, State, Zip Code]
Attn: [Name of Officer]

Re: Commitment for Subordinated Venture Debt Financing

Dear [Name of Officer],

[Lender Name] ("Lender") is pleased to provide [Company Name] ("Borrower") with this commitment for a subordinated venture debt facility (the "Facility") subject to the following terms and conditions:

1. Facility Amount: Up to $[Amount] in total principal.

2. Interest Rate: [Interest Rate]% per annum, payable [Monthly/Quarterly].

3. Maturity Date: [Number] months from the date of the first draw.

4. Repayment: [Describe repayment schedule, e.g., interest-only period followed by amortization].

5. Subordination: This debt shall be contractually subordinated to the Borrower's senior credit facility with [Senior Lender Name], pursuant to a subordination agreement acceptable to the Lender.

6. Warrants: As consideration for the Facility, the Borrower shall issue to Lender warrants to purchase [Number/Percentage] of [Type of Stock] at an exercise price of $[Price] per share.

7. Security: The Facility will be secured by a second-priority lien on all assets of the Borrower, including [mention Intellectual Property if applicable].

8. Conditions to Closing: Closing is subject to the following:

- Completion of final due diligence satisfactory to Lender.
- Execution of definitive loan documentation.
- Evidence of [Amount] in recent equity financing.
- No material adverse change in the Borrower's financial condition.

9. Fees: A commitment fee of $[Amount] is due upon execution of this letter.

10. Expiration: This commitment will expire if not accepted by [Date].

Please indicate your acceptance of these terms by signing below.

Sincerely,

[Signature]
[Name of Authorized Signatory]
[Title]
[Lender Name]

Accepted and Agreed:

[Signature]
[Name of Authorized Signatory]
[Title]
[Company Name]
Date: [Date]