

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

RE: Commitment Letter for Non-Recourse Factoring Facility

Dear [Contact Name],

[Factor Name] ("Factor") is pleased to confirm its commitment to provide [Client Name] ("Client") with a Non-Recourse Factoring Facility (the "Facility") subject to the following terms and conditions:

- 1. Facility Limit:** A maximum aggregate amount of \$[Amount].
- 2. Advance Rate:** Factor will advance up to [Percentage]% of the face value of eligible accounts receivable.
- 3. Factoring Fee:** A fee of [Percentage]% per [Period/30 days] based on the gross face value of the invoices purchased.
- 4. Non-Recourse Terms:** Factor assumes the credit risk for the financial inability of the customer (debtor) to pay the purchased invoices, provided the invoice is undisputed and the debtor's insolvency occurs within the agreed terms. This does not cover disputes regarding goods or services provided.
- 5. Collateral:** A first priority security interest in all accounts receivable, including proceeds thereof, and other related assets as defined in the Factoring Agreement.
- 6. Conditions Precedent:** This commitment is subject to:
 - Completion of satisfactory due diligence.
 - Execution of a definitive Factoring Agreement and related legal documentation.
 - Verification of accounts and debtor credit approvals.
 - No material adverse change in the financial condition of the Client.
- 7. Expiration:** This commitment shall expire on [Date] unless the Factoring Agreement is executed prior to this date.

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

Sincerely,

[Signature]
[Name of Representative]
[Title]
[Factor Name]

Accepted and Agreed:

Signature: _____
Name: [Client Authorized Signatory]
Title: _____
Date: _____