

**Date:** [Insert Date]

[Borrower Name]  
[Business Name]  
[Address Line 1]  
[City, State, Zip Code]

**Subject: Commitment Letter for Small Business Microloan**

Dear [Borrower Name],

We are pleased to inform you that [Lender Name] ("Lender") has approved your application for a microfinance loan. This letter outlines the terms and conditions under which the Lender commits to provide financing to [Business Name] ("Borrower").

**1. Loan Terms:**

- **Loan Amount:** \$[Insert Amount]
- **Interest Rate:** [Insert %] per annum
- **Repayment Term:** [Insert Number] months
- **Monthly Payment:** \$[Insert Amount]
- **Collateral:** [Insert Description of Collateral or state "None"]

**2. Fees:**

The Borrower agrees to pay an origination fee of \$[Insert Amount] upon closing.

**3. Use of Funds:**

Proceeds from this loan shall be used exclusively for [Insert Purpose, e.g., working capital, equipment purchase, inventory].

**4. Conditions Precedent:**

Funding is subject to the following conditions:

- Execution of the formal Loan Agreement and Promissory Note.
- Verification of current business licenses and registration.
- [Insert any other specific conditions].

**5. Expiration:**

This commitment will expire on [Insert Date] if the formal loan documents are not signed by both parties.

To accept this commitment, please sign and return this letter by [Insert Date].

Sincerely,

[Name of Authorized Representative]

[Title]

[Lender Name]

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**Acceptance:**

The undersigned Borrower hereby accepts the terms and conditions of this Commitment Letter.

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