

Date: [Insert Date]

Borrower Name: [Insert Borrower Name]

Address: [Insert Borrower Address]

Contact Number: [Insert Phone Number]

Subject: Commitment Letter for Microfinance Term Loan

Dear [Insert Borrower Name],

We are pleased to inform you that [Insert Name of Microfinance Institution] ("the Lender") has approved your application for a Microfinance Term Loan. This commitment is subject to the terms and conditions outlined below:

1. Loan Amount: [Insert Currency and Amount]

2. Purpose of Loan: [Insert Purpose, e.g., Business Expansion/Working Capital]

3. Interest Rate: [Insert Percentage]% per annum.

4. Tenor/Duration: [Insert Number] months.

5. Repayment Schedule: [Insert Frequency, e.g., Monthly/Weekly] installments of [Insert Amount].

6. Processing Fees: [Insert Amount or Percentage].

7. Security/Collateral: [Insert Details of Collateral or "Unsecured"].

8. Preconditions for Disbursement:

- Execution of the formal Loan Agreement.
- Provision of [Insert specific document, e.g., valid ID/Guarantor forms].
- Opening of a designated repayment account.

9. Expiration of Offer: This offer is valid until [Insert Expiry Date]. If not accepted by this date, the offer shall lapse.

Please signify your acceptance of these terms by signing and returning the attached copy of this letter.

Sincerely,

Authorized Signatory
[Insert Name of Institution]

Acknowledgment and Acceptance

I, [Insert Borrower Name], hereby accept the terms and conditions of the loan as stated in this Commitment Letter.

Signature of Borrower
Date: _____