

Date: [Insert Date]

To: [Borrower Name]

Address: [Borrower Address]

Attention: [Contact Person Name]

Subject: Approval of Factoring Recourse Guarantee Facility

Dear [Contact Person Name],

We are pleased to inform you that [Lender/Bank Name] has approved your application for a Factoring Recourse Guarantee Facility. The details of the approved facility are outlined below:

- **Facility Type:** Factoring with Recourse
- **Facility Limit:** [Insert Amount and Currency]
- **Advance Rate:** [Insert Percentage, e.g., 80%] of eligible invoices
- **Discount/Interest Rate:** [Insert Rate]% per annum
- **Service Fee:** [Insert Percentage or Flat Fee]
- **Recourse Period:** [Insert Number of Days, e.g., 90 days]
- **Expiry Date:** [Insert Date]

Key Conditions:

1. **Recourse Obligation:** Under this facility, [Borrower Name] provides a full guarantee to repurchase any assigned receivables that remain unpaid by the debtor after the expiry of the recourse period.
2. **Documentation:** This approval is subject to the execution of a formal Factoring Agreement and a specific Deed of Guarantee.
3. **Collateral/Security:** [Insert details of security, e.g., Personal Guarantee or Floating Charge].
4. **Reporting:** Monthly submission of the Ageing Accounts Receivable report is required.

Please indicate your acceptance of these terms by signing and returning the attached copy of this letter by [Insert Date].

Yours sincerely,

[Authorized Signature]

[Name and Title]

[Lender/Bank Name]

Acknowledgment and Acceptance:

I/We hereby accept the terms and conditions of the Factoring Recourse Guarantee Facility as stated above.

Signature: _____

Name: [Insert Name]

Title: [Insert Title]

Date: _____