

[Company Letterhead/Logo]

[Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

**Subject: Approval of Warehouse Receipt Financing Facility**

Dear [Borrower Name],

We are pleased to inform you that [Lending Institution Name] has approved your application for a Warehouse Receipt Financing Facility. This approval is subject to the following terms and conditions:

- **Facility Type:** Warehouse Receipt Financing (Revolving/Term)
- **Approved Limit:** [Amount and Currency]
- **Interest Rate:** [Rate]% per annum
- **Advance Rate:** [Percentage]% of the value of the pledged commodities
- **Collateral:** Valid Warehouse Receipts issued by [Name of Approved Warehouse/Collateral Manager]
- **Eligible Commodities:** [List of Goods, e.g., Wheat, Corn, Steel]
- **Tenor:** [Number of days/months] per drawdown

**Conditions Precedent to Disbursement:**

1. Execution of the standard Financing Agreement and Pledge Agreement.
2. Verification and endorsement of original Warehouse Receipts in favor of [Lending Institution Name].
3. Comprehensive insurance coverage for the stored goods, noting the bank as the first loss payee.
4. Payment of the processing fee of [Amount].

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

We look forward to a successful partnership.

Sincerely,

[Signature]

[Name of Authorised Signatory]

[Title/Position]

[Lending Institution Name]

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**Acknowledgment and Acceptance**

I/We hereby accept the terms and conditions outlined in this approval letter.

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