

**Instruction: This is a model letter. Adapt to fit your facts and circumstances.**

<date>

\_\_\_\_\_ Corporation

<Address>

<Address>

**RE:** \_\_\_\_\_

Gentlemen:

We have acted as counsel for \_\_\_\_\_, a \_\_\_\_\_ corporation, (the "Borrower") in connection with a loan by \_\_\_\_\_ Corporation ("Bank") to Borrower pursuant to a certain PROMISSORY NOTE and a certain STOCK PLEDGE AGREEMENT, and corporate resolutions executed in connection therewith (together hereinafter referred to as the "Loan Documents").

In this connection, we have examined the articles of incorporation, by-laws, minutes of the Borrower, the originals or executed copies of the Loan Documents, and the Certificate of Existence for The \_\_\_\_\_ Company of \_\_\_\_\_ dated \_\_\_\_\_, issued by the \_\_\_\_\_ Secretary of State.

Based upon the foregoing, we are of the opinion that:

1. The Borrower is a corporation duly organized, validly existing, and authorized to transact business under the laws of the State of \_\_\_\_\_, and has the power and authority to enter into and perform its obligations under the Loan Documents.

2. The \_\_\_\_\_ Company of \_\_\_\_\_ is a corporation duly organized, validly existing, and authorized to transact business under the laws of the State of \_\_\_\_\_.

3. The Loan Documents have been duly authorized, executed, and delivered and constitute the valid, legally binding obligations of the Borrower, enforceable against it in accordance with their terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, or reorganization, moratorium, or similar laws affecting generally the enforcement of creditors rights and remedies, and by general principals of equity.

4. Neither the execution and delivery by the Borrower of the Loan Documents, nor compliance by the Borrower with the provisions of the Loan Documents, conflicts with or will result in a breach of any provisions of the charter or by-laws of the Borrower or any applicable law, judgment, order, writ, injunction, decree, rule, or regulation of any court, administrative agency, or other government authority or of any agreement, contract, or other instrument known to us to which the Borrower or The \_\_\_\_\_ Company of \_\_\_\_\_ is a party or by which they are bound, or constitutes or will constitute a default under any thereof.

5. We have no knowledge of any pending or threatened action or proceeding against the Borrower or The \_\_\_\_\_ Company of \_\_\_\_\_ before any court, administrative agency, governmental authority, or arbitrator which is likely to have a material adverse effect upon the financial condition or operations of the Borrower or The \_\_\_\_\_ Company of \_\_\_\_\_.

6. The provisions of the STOCK PLEDGE AGREEMENT are sufficient to create in your favor a valid and binding first security interest in all right, title and interest of the Borrower in the Collateral identified in the STOCK PLEDGE AGREEMENT.

Sincerely yours,

By: \_\_\_\_\_