

Appendix C: Sample Opinion of Counsel

[Attorney Letterhead]

Date

Administrator
Rural Utilities Service
United States Department of Agriculture
Stop 1500
Washington, D.C. 20250-1500

Subject: (Company Name)

Ladies and Gentlemen:

We are counsel to _____ (the “Company”) in connection with the Company’s application (Application) for a loan or loan guarantee from the Rural Utilities Service (RUS) to provide telephone service. We have examined or caused to be examined by competent and trustworthy persons such corporate records and files and such other records, indexes, and files as we have deemed necessary to permit us to render the opinions expressed herein.

We are of the opinion that:

1. The Company is a (corporation, cooperative, limited liability company, etc.) duly formed, validly existing and in good standing under the laws of the State of _____.
2. The Company operates in the State(s) of _____ and is duly licensed and qualified and in good standing as a foreign _____, authorized to do business and own property in such State(s).
3. The Company has full legal right, power and authority to own its property and carry on its business as now conducted.
4. The execution, delivery and performance by the Company of the Application and the consummation of the transactions contemplated thereby are within the powers of the Company.
5. The Application has been duly executed by the Company.
6. The Company owns the real property described on Schedule A attached hereto (in both a paper format and an electronic copy on appropriate media) and such property is in the counties of _____ in the State(s) of _____.
7. The Company has the power to grant a security interest in the property described in paragraph 6 to the RUS as collateral for the loan described in the Application.

8. Schedule A contains complete and accurate descriptions of all the real property owned or leased by the Company, excluding easements and rights-of-way, which are sufficient, in form and substance, for inclusion in the granting clause of a mortgage creating a lien on such property.
9. The Company owns telecommunications facilities, including central office facilities, lines, and other outside plant, in the counties of _____ in the State(s) of _____.
10. For purposes of Article 9 of the Uniform Commercial Code in the State of _____, the Company is a “transmitting utility” (or is not a “transmitting utility.”)
11. The execution, delivery and performance by the Company of the loan documents will not require the consent, permission or authorization of any governmental authority.

or

11. The execution, delivery and performance by the Company of the loan documents will require the consent, permission or authorization of _____.

We have also verified the following information:

1. The Company’s organizational number is _____.
2. The exact true and correct legal name of the Company, as stated in its organization documents, is _____.
3. The Company’s corporate debt limit is _____.
4. The Company’s taxpayer identification number is _____.
5. The Company’s D-U-N-S number is _____.
6. The pending claims or litigation against the Company are described in the attached Schedule B.

or

6. There are no pending claims or litigation against the Company.

7. The Company has no subsidiaries.

or

7. The Company's subsidiaries are listed on the attached Schedule C.

8. The titles of the officials of the Company with the proper authority to execute all loan documents on behalf of the Company, and attest to the execution where required, are

_____.

Very Truly Yours,