

FmHA or its successor agency under Public Law 103-354 (Title) _____

ACCEPTANCE OF CONDITIONS

To: Farmers Home Administration or its successor agency under Public Law 103-354 (FmHA or its successor agency under Public Law 103-354)⁵

The conditions of this Conditional Commitment for Guarantee including attachments are acceptable and the undersigned intends to proceed with the loan transaction and request issuance of a Loan Note Guarantee within _____ days.

(Name of Lender)
By: _____
(Signature of Lender)

(Signature for Borrower)

¹Insert fixed interest rate or, if authorized by regulations, variable interest rate followed by a "V" and the appropriate loan subsidy rate, if applicable.

²Insert the period prescribed in the applicable FmHA or its successor agency under Public Law 103-354 regulation. For B&I loans "quarterly" and for CP loans "annually" will be inserted in this space.

³Insert any additional conditions or requirements in this space or on an attachment referred to in this space; otherwise, insert "NONE".

⁴FmHA or its successor agency under Public Law 103-354 will determine the expiration date of this contract. Consideration will be given to the date indicated by the lender in the acceptance of conditions. If construction is involved the expiration date will correspond with the projected completion of the project.

⁵Return completed and signed copy of this form to FmHA or its successor agency under Public Law 103-354 issuing office.

⁶Required in B&I, CP, and RH-MF cases, not in other cases.

[55 FR 11139, Mar. 27, 1990]

APPENDIX G TO SUBPART E OF PART 1980
[RESERVED]

APPENDIX H TO SUBPART E OF PART 1980—SUGGESTED FORMAT FOR THE OPINION OF THE LENDER'S LEGAL COUNSEL

(Legal Opinion to be Retyped on Lender's Counsel's Letterhead)

To: (Name of Lender).

I/We have acted as counsel to (Lender) _____ in connection with a \$ (amount) _____ (type) _____ loan by the (Lender) _____ (hereinafter "the Lender") to (Borrower) _____ (hereinafter "Borrower"), the

terms of which loans are set forth in a certain Loan Agreement (hereinafter "the Loan Agreement") executed by the Lender and Borrower on (date) _____.

In connection with this loan, I/we have examined:

1. The corporate records of Borrower, including its Articles of Incorporation, By-Laws and Resolutions of its Board of Directors.
2. The Loan Agreement between the Lender and Borrower.
3. The Security Agreement executed by Borrower on (date) _____.
4. The Guaranty (where applicable) executed on (date) _____ by (personal guarantors) _____.
5. Financing Statements executed by Borrower and the Lender.
6. Real Estate Mortgages dated _____ and executed by Borrower in favor of the Lender.
7. Real Estate Mortgages dated _____ and/or other security documents dated _____ executed by (personal guarantors) _____ in favor of the Bank.
8. The appropriate title and/or lien searches relating to Borrower's property.
9. The pledge of stock and instruments related thereto.
10. Such other materials, including relevant provisions of the laws of this state as I/we have deemed pertinent as a basis for rendering the opinion hereafter set forth.

In Some Circumstances

11. Lease(s) between Borrower and (lessor's name) _____ for the rental of (property being rented) _____, (if real property, give the address of the premises; if machinery equipment, etc., give brief, precise description of property for a (length of lease) _____ term commencing on (date) _____.

Based on the foregoing examinations, I am/we are of the opinion and advise you that:

1. Borrower is a duly organized corporation in good standing under the laws of the Commonwealth/State of (State) _____.
2. Borrower has the necessary corporate power to authorize and has taken the necessary corporate action to authorize the Loan Agreement and to execute and deliver the Note, Security Agreement, Financing Statement, and Mortgage. Said instruments hereinafter collectively referred to as the "Loan Instruments."
3. The Loan Instruments were all duly authorized, executed, and delivered and constitute the valid and legally binding obligation of the Borrower and collectively create and valid (first) lien upon or valid security interest in favor of the Lender, in the security covered thereby, and are enforceable in accordance with their terms except to the extent that the enforceability (but not the validity) thereof may be limited by laws of bankruptcy, insolvency, or other laws generally affecting creditors' rights.