[Law Firm Letterhead]

[Date]

[Lender Name]
[Lender Address]
[City, State, Zip Code]

Re: Non-Consolidation Opinion - [Name of Borrower] and [Name of Parent Guarantor]

Ladies and Gentlemen:

We have acted as counsel to [Name of Parent Guarantor], a [State of Incorporation] corporation (the "Guarantor"), and [Name of Borrower], a [State of Formation] limited liability company (the "Borrower"), in connection with the loan (the "Loan") from [Lender Name] (the "Lender") to the Borrower.

In connection with the Loan, the Guarantor has executed a [Name of Guarantee Agreement] in favor of the Lender. You have requested our opinion as to whether, in the event that the Guarantor were to become a debtor in a case under Title 11 of the United States Code (the "Bankruptcy Code"), a court would order the substantive consolidation of the assets and liabilities of the Borrower with those of the Guarantor.

**Assumptions**

In rendering this opinion, we have examined originals or copies of the following documents: [List Loan Documents, Operating Agreements, and Certificates]. We have also assumed the following:

- The Borrower and Guarantor will maintain separate records and books of account.
- The Borrower and Guarantor will not commingle their respective assets.
- The Borrower will be adequately capitalized for its foreseeable business operations.
- The Borrower and Guarantor will observe all necessary corporate/LLC formalities.
- The Borrower and Guarantor will hold themselves out to the public as separate and distinct entities.

**Legal Analysis**

Under the equitable doctrine of substantive consolidation, a bankruptcy court may, in certain circumstances, disregard the separateness of related entities and combine their assets and liabilities. In evaluating such cases, courts generally consider the "balance of equities," focusing on whether creditors dealt with the entities as a single economic unit and whether the affairs of the entities are so entangled that consolidation benefits all creditors.

**Opinion**

Based upon the facts and assumptions set forth herein, it is our opinion that, in a properly presented case, and subject to the qualifications stated herein, a court would not order the substantive consolidation of the assets and liabilities of the Borrower with those of the Guarantor in the event of a bankruptcy filing by the Guarantor.

This opinion is limited to the federal bankruptcy laws of the United States. This letter is provided solely for the benefit of the Lender and its successors and assigns in connection with the Loan and may not be relied upon by any other person without our prior written consent.

Very truly yours,

[Name of Law Firm]