

[Law Firm Letterhead]

[Date]

[Client Name]

[Client Address]

Re: Preliminary Blue Sky Memorandum

Dear [Name],

In connection with the proposed private placement of [Description of Securities] (the "Securities") by [Company Name] (the "Issuer"), we have prepared this memorandum to summarize the status of the Securities under the securities or "Blue Sky" laws of the following jurisdictions: [List States].

The offering is being made in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933 and Rule 506(b) or 506(c) of Regulation D. As a result, the Securities are "Covered Securities" under Section 18 of the Securities Act, which preempts state registration requirements.

I. NOTICE FILINGS

While state registration is preempted, most jurisdictions require a notice filing (typically Form D) and the payment of a filing fee. Our preliminary review indicates the following requirements:

- [State Name]: File Form D and fee of \$[Amount] within 15 days of the first sale.
- [State Name]: File Form D and fee of \$[Amount] within 15 days of the first sale.

II. BROKER-DEALER REGISTRATION

In general, officers and directors of the Issuer may participate in the offering without registering as broker-dealers, provided they comply with the "Issuer Exemption" under Exchange Act Rule 3a4-1 and specific state counterparts.

III. LIMITATIONS

This memorandum is based on the assumption that the Securities will be offered and sold strictly in accordance with the terms set forth in the Private Placement Memorandum dated [Date]. Any deviation from these terms may void the exemptions cited herein.

This memorandum is for your information only and does not constitute a legal opinion regarding the validity of the Securities.

Sincerely,

[Attorney Name/Law Firm]