**FORM OF OC-10 LEGAL OPINION OF FOREIGN OUTSIDE COUNSEL**

[Place on Letterhead of the Borrower’s Outside Counsel]

Date: \_\_/\_\_/20\_\_

Federal Reserve Bank of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Attention:

In re: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Borrower

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Borrower’s Routing (ABA) No.

In connection with the authorization for [foreign Borrower’s name] (“Borrower”), through its [city/cities] [branch/agency], to request advances from, incur indebtedness to, and pledge collateral to any Federal Reserve Bank in the United States of America, you have requested us to furnish you with an opinion of counsel regarding the authority of the Borrower and its [city/cities] [branch/agency] to engage in those activities under the laws of [chartering jurisdiction].[[1]](#footnote-1)

We are legal counsel to the Borrower in [city, country], its place of [incorporation or chartering or formation] and in that capacity are familiar with its affairs and the laws of [chartering jurisdiction] affecting it.

We are of the opinion that:

1. The Borrower, a [describe type of entity--e.g., corporation], including its branches and agencies in the United States of America, has been duly [incorporated/chartered/formed] and is validly existing and in good standing as a [corporation] under the laws of [chartering jurisdiction].
2. Under the laws of [chartering jurisdiction], the Borrower, including its branches or agencies located in the United States of America, (i) has the [corporate] power and authority to execute and deliver the Letter of Agreement, dated \_\_\_\_\_\_\_\_\_\_, 20\_\_, to your Operating Circular No. 10, as amended, supplemented or otherwise modified from time to time, and [list other executed agreements] (together the “Lending Agreement”), and to obtain advances from, incur indebtedness to, and perform its obligation under the Lending Agreement and pledge its collateral and grant security interests in its assets to any Federal Reserve Bank, whether now owned or hereafter acquired, as collateral security for the payment or performance of any obligation of the Borrower to any Federal Reserve Bank and (ii) has duly authorized, executed and delivered the Lending Agreement.[[2]](#footnote-2)
3. The Lending Agreement constitutes the valid and legally binding obligation of the Borrower in its entirety as a juridical entity and not merely as its branches or agencies located in the United States of America.
4. Regarding the Borrower’s obligations to any Federal Reserve Bank, the Borrower and its assets are entitled to [[3]](#footnote-3)

in any legal proceeding in the United States of America or the country where the Borrower is chartered. The Borrower has effectively waived such immunity/immunities it is now entitled to as well as any other immunity that, in the future, it may become entitled to in such jurisdictions[[4]](#footnote-4) and has effectively submitted to jurisdiction in the courts of its chartering country.

1. The resolutions of the governing body of the Borrower, dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20 , that authorize requesting advances from, incurring indebtedness to, and pledging and granting security interests in the Borrower’s assets to any Federal Reserve Bank, have been duly adopted.
2. The chartering jurisdiction [does]/[does not] have a system for filing or recording a security interest. [The chartering jurisdiction has a system for filing or recording a security interest, and a filing or recording has been made on behalf of the Federal Reserve Banks. That filing or recording [is not subject to renewal]/[must be renewed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.][[5]](#footnote-5)
3. In any action or proceeding arising out of or relating to the Lending Agreement in any court in [chartering jurisdiction], such court would give effect to the governing law provisions of the Lending Agreement which provide that the Lending Agreement shall be governed by the law of the State of \_\_\_\_\_\_\_\_\_\_\_\_\_ or Federal laws. However, if a court were to hold that the Lending Agreement is governed by, and is to be construed in accordance with the laws of [chartering jurisdiction], the Lending Agreement would be, under such laws, enforceable against the Borrower in its entirety as a juridical entity and not merely as its branches or agencies created in the United States of America.

There are no other material issues relevant to the issues addressed by this opinion which we wish to draw to your attention.

Sincerely,

By:

Name:

Title:

1. If the foreign Borrower principally conducts its business in a jurisdiction other than its chartering jurisdiction then the Borrower should also get an opinion of outside counsel with respect to Paragraphs 2, 3, 4, and 6 hereto for the jurisdiction in which the Borrower principally conducts its business. Each reference to the chartering jurisdiction in these paragraphs should be replaced with a reference to the country in which the Borrower principally conducts its business. [↑](#footnote-ref-1)
2. An opinion of counsel from a jurisdiction in which the Borrower principally conducts its business should also address whether any office of the Borrower licensed to operate in such jurisdiction can pledge its assets to secure an Obligation of the Borrower to a Federal Reserve Bank. [↑](#footnote-ref-2)
3. List immunities which the Borrower’s assets may be entitled to, including immunity from set-off, service of process, jurisdiction of any court or tribunal, attachment in aid of execution, attachment prior to the entry of a judgment, or execution upon a judgment. [↑](#footnote-ref-3)
4. If there are any limitations on the Borrower’s ability to waive any immunity, please identify and discuss those limitations. [↑](#footnote-ref-4)
5. Specify how frequently the filing or recording must be renewed. [↑](#footnote-ref-5)