

[Law Firm or Accounting Firm Letterhead]

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Tax Opinion Regarding Qualified Small Business Stock (QSBS) Treatment under IRC Section 1202

Dear [Client Name],

We have acted as counsel to [Client Name] (the "Taxpayer") in connection with the sale of [Number] shares of [Common/Preferred] stock (the "Shares") of [Company Name], a [State] corporation (the "Company"). You have requested our opinion as to whether the Shares qualify as "Qualified Small Business Stock" ("QSBS") within the meaning of Section 1202 of the Internal Revenue Code (the "Code").

Exhibits and Representations

In rendering this opinion, we have examined and relied upon the following:

- The Articles of Incorporation and Bylaws of the Company;
- Stock Purchase Agreements and Stock Ledgers;
- Officer's Certificates regarding gross assets and active business requirements;
- [Additional Documents].

Factual Assumptions

Our opinion is based on the following factual representations:

1. The Company was a domestic C corporation at the time of issuance and during the holding period.
2. The Shares were issued after August 10, 1993.
3. The Company's aggregate gross assets did not exceed \$50 million at any time before or immediately after the issuance of the Shares.
4. The Taxpayer acquired the Shares at original issuance in exchange for money, property, or as compensation for services.
5. During substantially all of the Taxpayer's holding period, the Company met the active business requirement (at least 80% of assets used in the active conduct of one or more qualified trades or businesses).

Legal Opinion

Based upon the foregoing and subject to the limitations set forth herein, it is our opinion that the Shares constitute "Qualified Small Business Stock" under Section 1202(c) of the Code. Accordingly, the Taxpayer should be eligible to exclude [50% / 75% / 100%] of the gain recognized on the sale of the Shares from gross income for federal income tax purposes, subject to the per-issuer limitations defined in Section 1202(b).

Limitations

This opinion is limited to the federal income tax consequences specifically addressed herein. We express no opinion regarding state or local tax consequences. This letter is intended solely for the benefit of the Taxpayer and may not be relied upon by any other person or entity without our express written consent.

Sincerely,

[Signature]

[Name of Partner/Principal]

[Firm Name]