

7-108

From: [REDACTED]

Hi Mike - I would appreciate your guidance on the following fact pattern:

Facts: A and B wish to engage in a business combination. A will be merged with and into B and shareholders of A and B will be given shares of C - the

as there is no \$100 person. Assuming however, that shareholders of A and B are \$10 million persons, and the investment only exemption is not available, would shareholders of A and or B have a filing obligation in their acquisition of shares of C?

Thanks.

cc: [REDACTED]

AS A RESULT OF THE CONSOLIDATION C WOULD BE ATTRIBUTED THE ASSETS / REVENUES OF A & B, AND WOULD BE A \$100 MM PERSON. \$10MM SHAREHOLDERS OF A / B WOULD HAVE A POTENTIAL FILING OBLIGATION.

B. Michael Veme
10/10/00