

April 25, 1983

Dear Ms. Vidas:

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I want to thank you and Mr. Derrick Charns for your

of the shares will be sold in a public offering, and that

On or around August 1, Company will be offering the

Ms. Sandra Vidas
April 25, 1983
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From our recent telephone conversations, I gather that a newly formed corporation, such as Company C, does not meet the size of person test if, after the transaction in question,

Company B from our client, will be under no other company's control and will not be worth \$10,000,000, it is not obligated to file a premerger notification.

It also appears that Company A's purchase of \$7,000,000 worth of Company C's common stock is exempt, under Section 802.20, because the acquired assets are valued at less than \$25 million, and the voting securities acquired do not confer control over

What is the value?

TO: PHN GROUP

Approval.

Remark.

File.

4-28-83

Note and return.

For analysis.

FTC Form 33 (11/78)

See attached memo