

MARCIA WEEKS  
CHAIRMAN



JAMES MATTHEWS  
EXECUTIVE SECRETARY

RENZ D. JENNINGS  
COMMISSIONER

ARIZONA CORPORATION COMMISSION

SECURITIES DIVISION  
(602) 542-4242

DALE H. MORGAN  
COMMISSIONER

June 5, 1990

Steven A. Horner  
Debevoise and Plimpton  
875 Third Ave  
New York, NY 10022

RE: Interco Incorporated

Dear Mr. Horner:

On the basis of the facts set forth in your letter dated May 21, 1990, and in reliance on your opinion as counsel, the Securities Division will not recommend enforcement for violation of the securities and dealer registration requirements of the Securities Act of Arizona should the syndication take place as described in your letter.

As this position is premised on the facts set forth in your letter and on your opinion as counsel, it should not be relied upon for any other set of facts or by any other person. Please also note that this position applies only to the registration requirements of the Act. The anti-fraud provisions of the Act continue to be applicable.

We have attached a photocopy of your letter. By doing this, we are able to avoid having to recite or summarize the facts set forth therein.

Very truly yours,

Dee Riddell Harris  
Director of Securities

DH:sm

# DEBEVOISE & PLIMPTON

875 THIRD AVENUE  
NEW YORK, NY 10022  
(212) 909-6000

CABLE: DEBSTEVE NEW YORK  
TELEX: 234400 DEBS UR  
TELECOPIER: (212) 909-6836

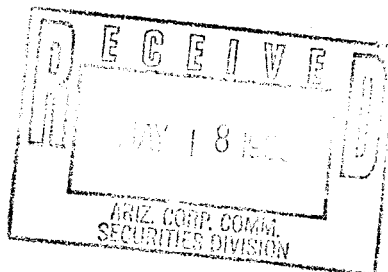
ELLEN LIEBERMAN  
COUNSEL  
(212) 909-6096

555 13TH STREET, N.W.  
WASHINGTON, DC 20004  
(202) 383-8000

333 SOUTH GRAND AVENUE  
LOS ANGELES, CA 90071  
(213) 680-8000

12 AVENUE D'EYLAU  
75116 PARIS  
(33-1) 47 04 46 04

1 CREED COURT  
5 LUDGATE HILL  
LONDON EC4M 7AA  
(44-1) 329 0779



May 17, 1990

## BY FEDERAL EXPRESS

State of Arizona  
Corporation Commission  
Securities Division  
1200 West Washington Street  
Phoenix, Arizona 85007

## INTERCO INCORPORATED

Dear Sir/Madam:

On behalf of INTERCO INCORPORATED, a Delaware corporation (the "Company"), and its wholly-owned subsidiary INTERCO Subsidiary, Inc., a Delaware corporation (the "Subsidiary"), we hereby request your confirmation that no separate offer or sale of the Guarantee, as defined below, by the Subsidiary will be deemed to occur in your jurisdiction under the circumstances described below or, alternatively, your no-action position if the Guarantee is not registered in your state. The executive offices of the Company and the Subsidiary are located in Missouri.

It is proposed that the Company's 6% Convertible Senior Subordinated Accrual Debentures due 2000 (the "New Debentures"), together with shares of the Company's common stock, no par value, with attached common share purchase rights (the "Common Stock"), will be issued by the Company in exchange for the Company's outstanding 13-3/4% Senior Subordinated Debentures due 2000 (the "Existing Debentures") (the New Debentures and the Existing Debentures are, collectively, the "Debentures"). The New Debentures are and the Existing Debentures will be of senior rank to the Common Stock which is listed on the New York Stock Exchange. Hence this exchange would be exempt from securities registration requirements in your jurisdiction

May 17, 1990


under Section 44-1843(7) of the securities laws of your jurisdiction, the stock exchange listing exemption.

The Existing Debentures are and the New Debentures will be guaranteed on a senior subordinated basis by the Subsidiary (the "Guarantee") pursuant to an agreement entered into among the Subsidiary, the Company and the trustee under the indenture relating to the Debentures (the "Trustee"). The Guarantee will not be able to be separately purchased nor separately traded apart from the Debentures.

We suggest that under the securities law of your jurisdiction, while the Guarantee may have an impact on Debentureholder, that impact is a feature of the Debentures and should not be viewed as constituting the issuance of a separate security to the Debentureholder; rather at most the issuance of the Guarantee should be viewed as a transaction between the parties to the Guarantee (namely, the Company, the Subsidiary and the Trustee but not the Debentureholder), none of whom will be present in your jurisdiction at the time the Guarantee is issued. We emphasize that the Guarantee can be neither traded nor purchased separately from the Debentures.

We respectfully request your confirmation to the effect that no separate offer or sale of the Guarantee by the Subsidiary will be deemed to occur in your jurisdiction under the circumstances described herein or, alternatively, your no-action position if the Guarantee is not registered in your jurisdiction. Your prompt attention to this matter will be appreciated. A copy of a Registration Statement on Form S-4 as filed with the Securities and Exchange Commission is enclosed. If you require any further information, feel free to contact me.

Very truly yours,

  
Ellen Lieberman

Enclosures