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January 18, 1973

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U.S. DEPARTMENT OF COMMERCE

Neal McCoy, Esquire
Chief Counsel
Division of Corporate Finances
Securities Exchange Commission
500 North Capitol Street
Washington, D. C.

Dear Sir:

I would appreciate an interpretative opinion as to whether the following transaction will qualify for filing under Regulation A.

Mount Vernon Telephone Company is a Maine corporation conducting a general telephone business within the State of Maine. It is proposed to merge Mount Vernon Telephone Company into Lewiston, Greene and Monmouth Telephone Company which is a Maine corporation also engaged in the general telephone business in the State of Maine. The presently issued and outstanding stock of Mount Vernon Telephone Company is 154 shares of common or capital stock, a single class. It is proposed to convert these shares on a ratio of 7 1/2 shares of stock of Lewiston, Greene and Monmouth Telephone Company to 1 share of Mount Vernon Telephone Company on the basis of the approximate book value of the shares of the two corporations. The capital stock of Lewiston, Greene and Monmouth Telephone Company is 42,933 shares of common or capital stock, a single class.

Because the Plan of Merger will make no amendment in the Articles of Incorporation of the Surviving Corporation and because the shares of the Surviving Corporation to be issued under the merger do not exceed 15% of the shares of the Surviving Corporation outstanding immediately before the effective date of the merger, under Section 903.5 of the Maine Business Corporation Act no vote of the shareholders of Lewiston, Greene and Monmouth Telephone Company is necessary.

There is no market for the sale of the shares of Mount Vernon Telephone Company and transfers are extremely rare. The market for

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Neal McCoy, Esquire

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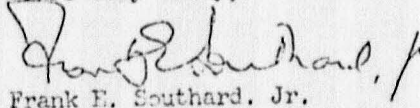
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shares of Lewiston, Greene and Hornmouth Telephone Company is very inactive but the last known shares were at a price of \$26.63. Based upon a market value of shares of Lewiston, Greene and Hornmouth Telephone Company at \$27.00 the 1,155 shares of the Surviving Corporation which would be issued to holders of Mount Vernon Telephone Company stock as a result of the merger would be \$31,185.00. Based upon the same fair market value the value of the shares to be retained by holders of Lewiston, Greene and Hornmouth Telephone Company stock would be \$1,145,373.00.

It is anticipated that before the merger agreement is entered into Lewiston, Greene and Hornmouth Telephone Company will have changed its name to Community Service Telephone Co. It is also anticipated that some time after the effective date of the merger agreement the Surviving Corporation will issue additional stock on a preemptive rights basis with an issue price in the vicinity of \$350,000.00.

I would appreciate very much hearing from you as to whether the proposed merger agreement will come within the scope of Regulation A on the basis that the stock to be offered is solely the stock to be issued to the holders of Mount Vernon Telephone Company shares.

Yours very truly,



Frank E. Southard, Jr.

FE3:jem

AIR-MAIL

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