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DAN R WALLER
MEMBER

October 21, 1993

Victoria C. Phelps
Senior Legal Assistant
Latham & Watkins
633 West Fifth Street, Suite 4000
Los Angeles, California 90071-2007

RE: Abbey Healthcare Group Incorporated
Senior Subordinated Notes due 2002

Dear Ms Phelps:

This is in response to your letter dated October 11, 1993, and received by this Agency on October 12, 1993.

Your letter and supplemental materials indicate that Abbey Healthcare Group Incorporated ("Abbey") will issue certain Senior Subordinated Notes due 2002 ("Notes"). The Notes will be guaranteed on a senior subordinated basis by all of Abbey's wholly-owned domestic subsidiaries: Abbey Medical, Inc., d/b/a Abbey Home Healthcare; Foster Medical Corporation; Abbey Acquisition Corporation; and Triangle Coordinated Care, Inc. (collectively, the "Subsidiary Guarantors"). Each subsidiary guarantor will unconditionally guarantee, jointly and severally, the full and prompt performance of Abbey's obligations under the Notes, including the payment of principal of and interest on the Notes.

You have represented that Abbey's common stock has been designated on the National Association of Securities Dealers Automated Quotation National Market System. You have also stated that the subsidiary guarantees may not be offered and sold separately from the Notes, and that no additional consideration is required to receive the subsidiary guarantees.

You have opined, and based on the foregoing understanding, the staff of the State Securities Board agrees, that issuances of the Notes will be eligible for the exemption provided by Section 6.F

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of the Texas Securities Act. Further, the staff of the State Securities Board will require no action to require registration of the subsidiary guarantees as separate securities.

Please note that this Agency has not made an independent investigation of the facts, but has relied solely on the information you have provided. If this information is incorrect or changes substantially, the staff would reconsider the matter and the opinion stated above would be void.

Further, this Agency does not grant nor confer the exemption. Its availability depends entirely on full compliance with the language of the exemption. If a dispute arises about availability of the exemption, the burden of proof falls on the party claiming the exemption.

Finally, opinions expressed by this Agency are not binding on civil litigants in future proceedings.

I trust this letter answers your inquiry. Please feel free to write us if you need further information.

Very truly yours,

DENISE VOIGT CRAWFORD
Securities Commissioner

Rada Lynn Potts
General Counsel

RLP:bp