

DENISE VOIST CRAWFORD  
SECURITIES COMMISSIONER



T. DEON WARNER  
CHAIRMAN

JOHN R. MORGAN  
DEPUTY SECURITIES COMMISSIONER

DAN R. WALLER  
MEMBER

MAIL: P.O. BOX 13167  
AUSTIN, TEXAS 78711-3167

## State Securities Board

200 E. 10th Street, 6th Floor  
Austin, Texas 78701  
Phone (512) 306-8300  
FAX (512) 306-8310

NICHOLAS C. TAYLOR  
MEMBER

April 10, 1996

Ms. Candace S. Karlson  
Legal Assistant  
Adler Pollock & Sheehan  
2300 Hospital Trust Tower  
Providence, Rhode Island 02903-2443

Re: Cookson America, Inc. 401(k) Savings Plan and Master  
Savings Trust

Dear Ms. Karlson:

This is in response to your letter dated December 1, 1995, and received by this Agency on December 5, 1995. Your letter was supplemented by your letters dated December 29, 1995, January 18, 1995 [sic], February 27, 1996, and March 18, 1996, and our telephone conversation on January 30, 1996.

Your letters and supplemental materials indicate that Cookson America, Inc. (the "Company") sponsors the Cookson America, Inc. 401(k) Savings Plan and Master Savings Trust (the "Plan") in which the Company and several of its subsidiaries (the "Subsidiaries") participate. Under the Plan, participating employees make investment choices, with respect to the investment of their own and company contributions, to invest in one or more investment vehicles consisting of (1) mutual funds or (2) shares of Cookson Group plc ("Cookson"), a United Kingdom corporation. The Company is an indirect wholly-owned subsidiary of Cookson.

You have indicated that interests in the Plan (the "Interests") will be limited to employees of the Company or the Subsidiaries. Further, the Interests will be offered by the Company and the Subsidiaries themselves. Finally, you noted that any employee of the Company or the Subsidiaries who aids in offering and selling the Interests would not be hired for the purpose of offering or selling the Interests, the employee's activities involving the offer or sale of the Interests would be strictly incidental to his or her bona fide primary nonsecurities-related work duties, and the employee's compensation would be based solely on the performance of such other duties.

Based on the foregoing understanding, the exemption provided by Section 5.I(b) of the Texas Securities Act is available for sales of the Interests in the Plan. Further, the Company, the

Ms. Candace S. Karlson  
April 10, 1996  
Page 2

Subsidiaries, and their respective employees offering interests in the Plan would come within the parameters of this Agency's Rule Section 109.13(g) and would not be required to register as dealers or agents to engage in the activities contemplated above.

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 an exemption. Its availability depends entirely on full compliance with the language of the exemption. If a dispute arises about availability of an 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

Marlene K. Sparkman  
Assistant General Counsel

/ms