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SECURITIES COMMISSIONER



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DAN P WALLEP
MEMBER

October 20, 1993

Edward M. Alterman
Fried, Frank, Harris, Shriver & Jacobson
One New York Plaza
New York, New York 10004-1980

RE: SPI Holding, Inc.
Spectradyne, Inc.
SPI Newco, Inc.
Senior Discount Notes due 2001

Dear Mr. Alterman:

This is in response to your letters dated September 20, 1993, and received by this Agency on September 22, 1993.

Your letters and supplemental materials indicate that SPI Holding, Inc., a Delaware corporation ("SPI Holding") will offer certain Senior Discount Notes due 2001 (the "Notes"). The Notes will be unconditionally guaranteed on a senior secured basis by Holding's wholly-owned subsidiary, SPI Newco, Inc., a Delaware corporation ("Newco"), and will be unconditionally guaranteed on a senior unsecured basis by Spectradyne, Inc., a Texas corporation ("Spectradyne"), Holding's principal operating subsidiary and a wholly-owned subsidiary of Newco.

You have represented that Holding's Class B common stock is listed on the American Stock Exchange. You have opined, and based on the foregoing understanding, the staff of the State Securities Board agrees, that the Notes will be eligible for the exemption provided by Section 6.F of the Texas Securities Act.

You have also requested that the staff of the State Securities Board recommend no action to require registration, as separate securities, of the Spectradyne and Newco guarantees. Based on the materials you have submitted, the staff of the State Securities Board will recommend no action to require registration of the Newco and Spectradyne guarantees.

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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