Exam Number 4638

Question 3

Exhibit E

End of Yr 1

	Assets			Liabilities	
	Basis	Value		Basis	Value
C	50k	50k		*Debt*	
Stock	100k	160k	RL		30k
				Equity	
			A	62	82
			B	71	91
			C	17	7
Total Assets	150k	210k	Total Liabilities	150k	210k