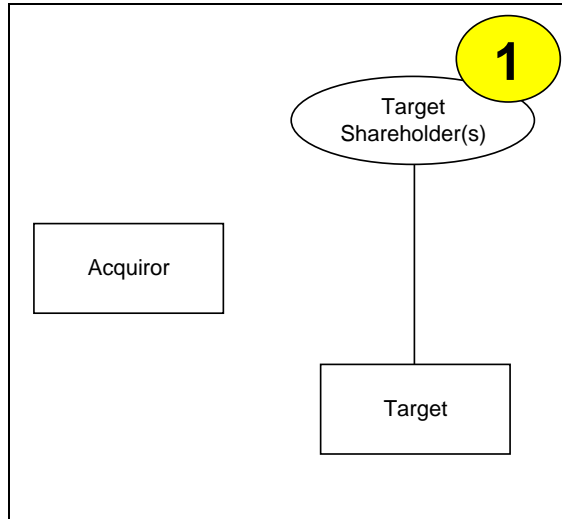


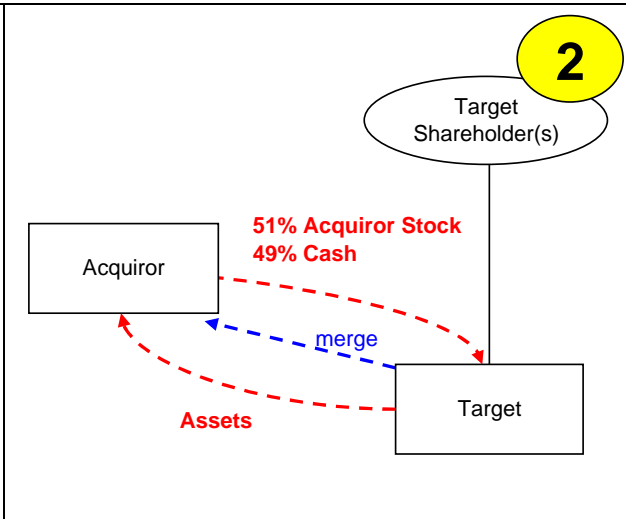
368(a)(1)(A) - "a statutory merger"

A Reorganization

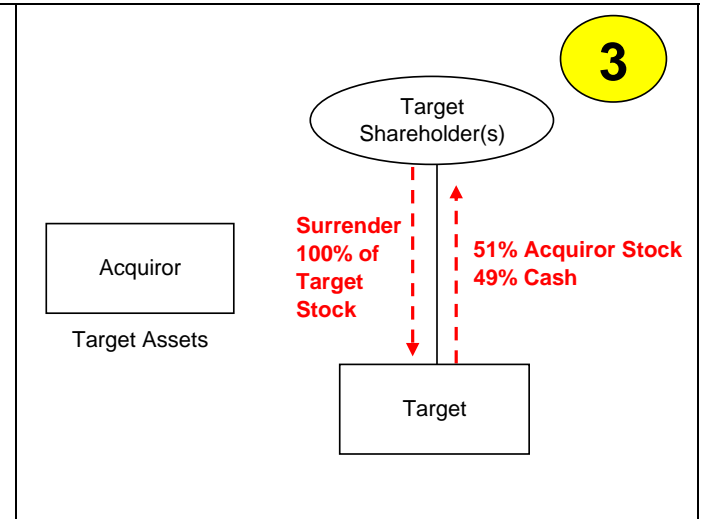
Initial Structure



Target Asset Transfer



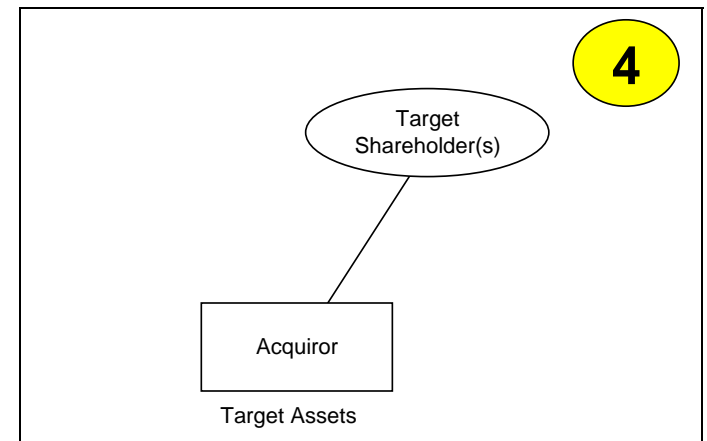
Target Liquidation



Nonrecognition Operative Provisions: Acquiror - section 1032,
Target - section 361(a)

Shareholders - section 354(a)(1),
Target - section 361(c)

Ending Point



368(a)(1) . . . the term "reorganization" means . . . (A) a statutory merger or consolidation;