Exam Number 7294

Question 2

Exhibit 2.1

	Assets			Liabilities		
	Basis	Value		Basis	Value	
Cash	40	40		*Debt*	50	NR
Inventory	25	90				
				Equity		
			K	50	40	40
			L	45	40	40 and
			M	5	0	20
Total Assets	65	130	Total Liabilities	100	130	