

Shenandoah Telephone Company
Edinburg, Virginia

September 4, 1981

Mr. George A. Fitzsimmons, Secretary
Securities and Exchange Commission
500 North Capitol Street
Washington, D. C. 20549

Dear Mr. Fitzsimmons:

I have received your release concerning File No. S7-891 in regard to proposed revision of certain exemptions from the registration provisions of the Securities Act of 1933 for transactions involving limited offers and sales.

I appreciate the Commission's concern about helping small businesses by having less regulations for handling transactions involving securities.

There are two items on which I would appreciate receiving your consideration. First, our attorney advises that we cannot give stock to our employees in appreciation of their years of service unless we first register the stock with the SEC. This would be foolish, since the registration would cost more than the stock would be worth. You apparently exempt stock used for TRASOPS, and therefore I would suggest that a similar exemption for small blocks of stock for this purpose would be appropriate.

Our company is not listed on any market, and therefore it would be helpful to our stockholders if we could buy a few shares of stock and resell them to other interested parties in our area without registration. Would it be feasible to permit us to purchase a percentage of our stock (say five percent) in any one year, and hold for resale? We could keep you posted of the purchase prices and the sale prices by the use of the reports we now send to report ownership of our stock by our Board members and officers.

Yours truly,

Warren B. French, Jr.
President & General Manager

cc: Congressman Kenneth Robinson
Mr. John Riely, Esq., Hunton and Williams