

LEVEL 3 COMMUNICATIONS INC

FORM POS AM

(Post-Effective Amendment to Registration Statement)

Filed 09/23/98

Address	1025 ELDORADO BOULEVARD BLDG 2000 BROOMFIELD, CO 80021
Telephone	7208881000
CIK	0000794323
Symbol	LVLT
SIC Code	4813 - Telephone Communications, Except Radiotelephone
Industry	Communications Services
Sector	Services
Fiscal Year	12/31

LEVEL 3 COMMUNICATIONS INC

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(Post-Effective Amendment to Registration Statement)

Filed 9/23/1998

Address	1025 ELDORADO BOULEVARD BLDG 2000 BROOMFIELD, Colorado 80021
Telephone	720-888-1000
CIK	0000794323
Industry	Communications Services
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Fiscal Year	12/31

REGISTRATION NO. 333-34627

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549-1004

POST-EFFECTIVE AMENDMENT NO. 1
TO

FORM S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

PETER KIEWIT SONS', INC.
(FORMERLY KNOWN AS PKS HOLDINGS, INC.)

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

STATE OF DELAWARE
(State Or Other Jurisdiction Of
Incorporation Or Organization)

91-1842817
(I.R.S. Employer Identification No.)

161,162
(Primary Standard Industrial
Classification Code Number)

LEVEL 3 COMMUNICATIONS, INC.

(FORMERLY KNOWN AS PETER KIEWIT SONS', INC.)

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

STATE OF DELAWARE
(State Or Other Jurisdiction Of
Incorporation Or Organization)

47-0210602
(I.R.S. Employer Identification No.)

1221, 161, 4813, 7374
(Primary Standard Industrial
Classification Code Number)

PETER KIEWIT SONS', INC.
1000 KIEWIT PLAZA
OMAHA, NEBRASKA 68131
(402) 342-2052

LEVEL 3 COMMUNICATIONS, INC.
3555 Farnam Street
OMAHA, NEBRASKA 68131
(402) 536-3677

(Address, Including Zip Code, And Telephone Number,
Including Area Code, Of Each Registrant's Principal Executive Offices)

TOBIN A. SCHROPP, ESQ.
PETER KIEWIT SONS', INC.
1000 KIEWIT PLAZA
OMAHA, NEBRASKA 68131
(402) 342-2052

MATTHEW J. JOHNSON, ESQ.
LEVEL 3 COMMUNICATIONS, INC.
1000 KIEWIT PLAZA
OMAHA, NEBRASKA 68131
(402) 536-3677

(Name, Address, Including Zip Code, And Telephone Number, Including Area Code,
Of Each Registrant's Agent For Service)

COPIES TO:

JOHN S. D'ALIMONTE, ESQ.
WILLKIE FARR & GALLAGHER
787 SEVENTH AVENUE
153 EAST 53RD STREET

NEW YORK, NEW YORK 10019
(212) 821-8000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE OF THE SECURITIES TO THE

PUBLIC: Not applicable.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

ITEM 21. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Exhibits

EXHIBIT NO.	DESCRIPTION	SEQUENTIAL PAGE NO.
2.1*	Form of Separation Agreement between PKS Holdings and PKS	
3.1*	Restated Certificate of Incorporation of PKS (incorporated by reference to Exhibit 3.1 to the PKS Annual Report on Form 10-K for the fiscal year ended December 28, 1996 which incorporates by reference Exhibit 3.1 to the PKS Annual Report on Form 10-K for the fiscal year ended December 28, 1991)	
3.2*	Amended and Restated By-laws of PKS (incorporated by reference to Exhibit 3.4 to the PKS Annual Report on Form 10-K for the fiscal year ended December 28, 1996 which incorporates by reference Exhibit 3.4 to the PKS Annual Report on Form 10-K for the fiscal year ended December 26, 1992)	
3.3*	Form of Proposed Restated Certificate of Incorporation of PKS (included as Appendix E-II to the Proxy Statement/Joint Prospectus contained herein)	
3.4*	Form of Proposed Amended and Restated By-laws of PKS	
3.5*	Certificate of Incorporation of PKS Holdings	
3.6*	By-laws of PKS Holdings	
3.7*	Form of Proposed Restated Certificate of Incorporation of PKS Holdings (included as Appendix D to the Proxy Statement/Joint Prospectus contained herein)	
3.8*	Form of Proposed Restated By-laws of PKS Holdings	
4.1**	Rights Agreement, dated as of May 29, 1998, between Level 3 Communications, Inc. and Norwest Bank Minnesota, N.A., as Rights Agent	
5*	Opinion of Willkie Farr & Gallagher relating to legality of the PKS Holdings Stock, the Class R Stock and the Diversified Holdings Stock issuable upon conversion of the Class R Stock	
8.1*	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP relating to certain U.S. income tax matters	
8.2*	Opinion of Blake, Cassels & Graydon relating to certain Canadian federal income tax matters	
8.3	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP, dated March 31, 1998, relating to certain U.S. income tax matters	

EXHIBIT NO.	DESCRIPTION	SEQUENTIAL PAGE NO.
8.4	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP, dated June 12, 1998, relating to certain U.S. income tax matters	
15*	Letter of Coopers & Lybrand L.L.P. relating to unaudited pro forma financial information of PKS and Kiewit Construction and Mining Group	
23.1*	Consent of Coopers & Lybrand L.L.P. relating to PKS and PKS Holdings financial statements	
23.2*	Consent of Willkie Farr & Gallagher (included in its opinion filed as Exhibit 5)	
23.3*	Consent of Gleacher NatWest, Inc.	
23.4*	Consent of Skadden, Arps, Slate, Meagher & Flom LLP (included in its opinions filed as Exhibits 8.1, 8.3 and 8.4)	
23.5*	Consent of Blake, Cassels & Graydon (included in its opinion filed as Exhibit 8.2)	
24*	Powers of Attorney (included on the signature pages of the Registration Statement as filed with the Commission on August 29, 1997)	
99.2*	Executive Engagement Agreement among James Q. Crowe, PKS and KDG	
99.3*	Consent of R. Douglas Bradbury	
99.4*	Consent of Robert E. Julian	
99.5*	Consent of David C. McCourt	
99.6*	Consent of Michael B. Yanney	

* Previously Filed

** Incorporated by reference to Amendment No. 1 to Form 8-A of Level 3 Communications, Inc., dated June 10, 1998

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, each of the Registrants has duly caused Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Omaha, Nebraska on September 1, 1998.

LEVEL 3 COMMUNICATIONS, INC.
(formerly known as Peter Kiewit Sons', Inc.)

PETER KIEWIT SONS', INC.
(formerly known as PKS Holdings, Inc.)

By: /s/ MATTHEW J. JOHNSON

Matthew J. Johnson
Vice President--Corporate Legal

By: /s/ THOMAS C. STORTZ

Thomas C. Stortz
Director

LEVEL 3 COMMUNICATIONS, INC. DIRECTORS AND OFFICERS

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
*	Chairman	September 20, 1998
Walter Scott, Jr.		
*	Director, President and Chief Executive Officer (principal executive officer)	September 20, 1998
James Q. Crowe		
*	Director	September 20, 1998
William L. Grewcock		
*	Director	September 20, 1998
Kenneth E. Stinson		
/s/ R. DOUGLAS BRADBURY	Director, Executive Vice President and Chief Financial Officer (principal financial and accounting officer)	September 20, 1998
R. Douglas Bradbury		
*	Director	September 20, 1998
Richard R. Jaros		
*	Director	September 20, 1998
Robert B. Daugherty		
*	Director	September 20, 1998
Charles M. Harper		
/s/ DAVID C. MCCOURT	Director	September 20, 1998
David C. McCourt		
/s/ MICHAEL B. YANNEY	Director	September 20, 1998
Michael B. Yanney		
/s/ ROBERT E. JULIAN	Director	September 20, 1998
Robert E. Julian		

Matthew J. Johnson, by signing his name below, signs this document on behalf of each of the above-named persons specified by an asterisk (*), pursuant to a power of attorney duly executed by such persons, filed with the Securities and Exchange Commission in Registrants' Registration Statement on August 29, 1997.

/s/ MATTHEW J. JOHNSON	Attorney-in-fact
Matthew J. Johnson	

PETER KIEWIT SONS', INC. DIRECTORS AND OFFICERS

Pursuant to the requirements of Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
----- * ----- Walter Scott, Jr.	Director	September 20, 1998
----- * ----- Kenneth E. Stinson	Chairman, President, Chief Executive Officer and Director	September 20, 1998
----- * ----- Richard Geary	Executive Vice President and Director	September 20, 1998
----- * ----- George B. Toll, Jr.	Executive Vice President and Director	September 20, 1998
----- * ----- Bruce E. Grewcock	Executive Vice President and Director	September 20, 1998
----- /s/ THOMAS C. STORTZ ----- Thomas C. Stortz	Vice President and Director	September 20, 1998
----- * ----- Richard W. Colf	Director	September 20, 1998
----- * ----- Tait P. Johnson	Director	September 20, 1998

SIGNATURE	TITLE	DATE
----- * ----- Allan K. Kirkwood	Director	September 20, 1998
----- * ----- William L. Grewcock	Director	September 20, 1998
----- * ----- James Q. Crowe	Director	September 20, 1998
----- * ----- Peter Kiewit, Jr.	Director	September 20, 1998
----- * ----- Kenneth Jantz	Vice President and Treasurer (Principal Accounting Officer)	September 20, 1998
----- * ----- Stephen A. Sharpe	Vice President (Principal Financial Officer)	September 20, 1998

Thomas C. Stortz, by signing his name below, signs this document on behalf of each of the above-named persons specified by an asterisk (*), pursuant to a power of attorney duly executed by such persons, filed with the Securities and Exchange Commission in Registrants' Registration Statement on August 29, 1997.

/s/ THOMAS C. STORTZ	Attorney-in-fact
----- Thomas C. Stortz	

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23.3*	Consent of Gleacher NatWest, Inc.	
23.4*	Consents of Skadden, Arps, Slate, Meagher & Flom LLP (included in its opinions filed as Exhibits 8.1, 8.3 and 8.4)	
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99.6*	Consent of Michael B. Yanney	

* Previously Filed

** Incorporated by Reference to Amendment No. 1 to Form 8-A of Level 3 Communications, Inc., dated June 10, 1998

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

March 31, 1998

Level 3 Communications, Inc.
3555 Farnam Street
Omaha, Nebraska 68131

Peter Kiewit Sons', Inc.
1000 Kiewit Plaza
Omaha, Nebraska 68131

Re: Certain United States Federal Income Tax Consequences of the Separation of the Construction Business from the Diversified Businesses

Gentlemen:

We have acted as tax counsel to Level 3 Communications, Inc. (formerly Peter Kiewit Sons', Inc.), a Delaware corporation ("Distributing"), in connection with the contemplated separation of its construction business (the "Construction Business") from its information services and other diverse businesses (the "Diversified Businesses") as described in the Proxy Statement/Joint Prospectus dated November 10, 1997 (the "Proxy Statement"). In order to effectuate the separation, (i) Distributing has declared a dividend of 0.8 of one share of newly created Class R Convertible Common Stock, par value \$.01 per share (the "Class R Common Stock"), with respect to each outstanding share of Class C Construction & Mining Group Restricted Redeemable Convertible Exchangeable Common Stock, par value \$.0625 per share (the "Class C Stock"), and (ii) Distributing will cause each outstanding share of Class C Stock to be mandatorily exchanged for one outstanding share of Common Stock, par value \$.01 per share, of Peter Kiewit Sons', Inc. (formerly PKS Holdings, Inc.) a newly formed, direct, wholly owned subsidiary of Distributing

("Controlled"), to which such 0.8 of one share of Class R Stock will attach (the "Split-Off").

Distributing has received a private letter ruling dated February 27, 1998, as amended on March 9, 1998, from the Internal Revenue Service pursuant to its request, submitted October 29, 1997 (such request, as thereafter supplemented, the "Ruling Request"), with respect to certain United States federal income tax consequences of the Split-Off and related transactions.⁽¹⁾ Delivery of this opinion with respect to certain United States federal income tax consequences of the distribution by Distributing of shares of Class R Common Stock (the "Recapitalization") to holders of the Class C Stock (the "Class C Stockholders") is a condition to the consummation of the Split-Off.

In rendering our opinion, we have examined and relied upon the accuracy and completeness of the facts, information, representations, and covenants contained in originals or copies, certified or otherwise identified to our satisfaction, of the Ruling Request, the Proxy Statement, the Ruling, the certificates from officers of Distributing and Controlled dated as of the date hereof, and such other documents as we have deemed necessary or appropriate as a basis for the opinion set forth below. Our opinion is conditioned upon, among other things, the initial and continuing accuracy and completeness of such facts, information, representations, and covenants.

In our examination, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such documents. We have assumed that all of the transactions related to the Split-Off will be consummated in the manner described in the Ruling Request and the Proxy Statement.

(1) Unless otherwise indicated, all capitalized terms used herein have the meaning assigned to them in the Ruling Request.

In rendering our opinion, we have considered the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations promulgated thereunder, pertinent judicial authorities, interpretive rulings of the Internal Revenue Service (the "Service"), and such other authorities as we have considered relevant, all of which are subject to change at any time, possibly with retroactive effect. In particular, Congress could enact legislation affecting the treatment of stock with characteristics similar to the Class C Stock or the Class R Common Stock, or the Treasury Department could change current law under future regulations, including regulations issued pursuant to its authority under Section 337(d) of the Code. A change in any of the authorities upon which our opinion is based could affect our conclusions.

No authority directly addresses the federal income tax treatment of stock with characteristics substantially similar to the Class C Stock or the Class R Common Stock. Accordingly, our conclusions are based, in part, upon reasoning by way of analogy. We note that the Service will not issue advance rulings on the classification of stock with characteristics similar to the Class C Stock.⁽²⁾

Based solely on the foregoing, we are of the opinion that, under current law, for United States federal income tax purposes:

- (1) Distributing will not recognize gain or loss upon the distribution of the Class R Common Stock pursuant to the Recapitalization;
- (2) The Class C Stockholders will not recognize gain or loss upon their receipt of the Class R Common Stock pursuant to the Recapitalization;

(2) Rev. Proc. 87-59, 1987-2 C.B. 764, see also Rev. Proc. 98-3, Section 3.01(45), I.R.B. 1998-1, 100.

(3) Each Class C Stockholder will allocate a portion of his basis in his Class C Stock to the Class R Common Stock in proportion to the relative fair market values of the Class R Common Stock and the Class C Stock; and

(4) The holding period of the Class R Common Stock received by each Class C Stockholder will include the holding period of the Class C Stock with respect to which the Class R Common Stock is received, provided such Class C Stock is held as a capital asset.

Our opinion does not address the applicability or effect of any state, local, or foreign tax laws to which Distributing or any Class C Stockholder may be subject. In addition, our opinion as set forth in clauses (2) through (4) above applies only to Class C Stockholders who hold their Class C Stock as capital assets and does not apply to any Class C Stockholder who may be subject to special treatment under the federal income tax laws.

Except as set forth above, we express no opinion to any party as to any tax consequences, whether federal, state, local or foreign, of any transactions or events related to the Split-Off or the Recapitalization or contemplated by or referred to in the Ruling Request or the Proxy Statement. Our opinion is not binding upon the Internal Revenue Service or any court, and, accordingly, it is possible that the Internal Revenue Service or a court may disagree with our conclusions. This opinion is expressed as of the date hereof, unless otherwise expressly stated, and we disclaim any undertaking to advise you of any subsequent changes of the facts stated, referenced, or assumed herein or any subsequent changes in applicable law. This opinion is solely for your benefit and may not be used, circulated, quoted, or otherwise referred to for any purpose without our express written permission. We consent to the use of our name in the Proxy Statement and to the filing of this opinion with the Securities and Exchange Commission as an exhibit to the Registration Statement by post-effective amendment. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission promulgated thereunder.

Sincerely yours,

/s/ Skadden, Arps, Slate, Meagher & Flom

June 12, 1998

Level 3 Communications, Inc.
3555 Farnam Street
Omaha, Nebraska 68131

Re: Certain U.S. Federal Income Tax Consequences of the Split-Off

Gentlemen:

We have acted as special tax counsel to Level 3 Communications, Inc. (formerly Peter Kiewit Sons', Inc.) ("PKS"), in connection with the distribution of Class R Convertible Common Stock (the "Class R Common Stock") and the exchange of each outstanding share of Class C Construction & Mining Group Restricted Redeemable Convertible Exchangeable Common Stock (the "Class C Stock") for one share of Common Stock (the "PKS Holdings Stock") of Peter Kiewit Sons', Inc. (formerly PKS Holdings, Inc.) (the "Split-Off"), as described in the Registration Statement on Form S-4 filed with the United States Securities and Exchange Commission (the "Commission") on November 10, 1997 (the "Registration Statement"). PKS has received a private letter ruling, dated February 27, 1998, from the Internal Revenue Service (the "Private Letter Ruling") pursuant to its request, submitted October 29, 1997 (such request, as thereafter supplemented, the "Ruling Request"). You have requested our opinion concerning certain United States federal income tax consequences of the Split-Off as set forth in the Private Letter Ruling. Capitalized terms not defined herein shall have the meanings ascribed to them in the Registration Statement.

In rendering our opinion, we have examined and relied upon the accuracy and completeness of the facts, information, representations, and covenants contained in

originals or copies, certified or otherwise identified to our satisfaction, of the Ruling Request, the Private Letter Ruling, the Registration Statement and such other documents as we have deemed necessary or appropriate as a basis for the opinion set forth below. Our opinion is conditioned upon, among other things, the initial and continuing accuracy and completeness of such facts, information, representations, and covenants.

In our examination, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such documents. We have assumed that all of the transactions related to the Split-Off were consummated in the manner described in the Private Letter Ruling, the Ruling Request and the Registration Statement.

In rendering our opinion, we have considered the Private Letter Ruling and the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations promulgated thereunder, pertinent judicial authorities, interpretive rulings of the Internal Revenue Service, and such other authorities as we have considered relevant, all of which are potentially subject to change, possibly with retroactive effect. A change in any of the authorities upon which our opinion is based could affect our conclusions.

Based solely on the foregoing, and subject to the discussion set forth under the caption "Material U.S. Federal Income Tax Considerations" in the Proxy Statement/Joint Prospectus included within the Registration Statement (the "Proxy Statement/Prospectus"), we are of the opinion that, under current law, for United States federal income tax purposes:

(1) Except as described below, no gain or loss was recognized by PKS or PKS Holdings upon the exchange of the Class C Stock for PKS Holdings Stock pursuant to the Split-Off;

(2) A holder of Class C Stock did not recognize any gain or loss as a result of the exchange of Class C Stock for PKS Holdings Stock pursuant to the Split-Off;

(3) A holder of Class C Stock had, immediately after the Split-Off, a tax basis for the shares of PKS Holdings Stock received in the Split-Off equal to a portion of his tax basis in the Class C Stock immediately before the Transaction, allocated in proportion to the relative fair market values of the Class R Common Stock and the Class C Stock at the time of the Class R Stock Distribution, the portion allocated to the Class C Stock after the Class R Stock Distribution being the basis of the PKS Holdings Stock; and

(4) The holding period to a holder of Class C Stock for the shares of PKS Holdings Stock received in the Split-Off includes the period during which the holder held the Class C Stock exchanged therefor, provided that such Class C Stock was held as a capital asset at that time.

Notwithstanding the foregoing, PKS recognized gain on the exchange of Class C Stock for PKS Holdings Stock pursuant to the Split-Off to the extent that shares of PKS Holdings Stock were treated as received by holders of Class C Stock who were not United States persons, as defined in the Code.

Except as set forth above, we express no opinion to any party as to any tax consequences, whether federal, state, local or foreign, of any transactions or events contemplated by or referred to in the Private Letter Ruling, the Ruling Request or the Registration Statement. This opinion is expressed as of the date hereof, unless otherwise expressly stated, and we disclaim any undertaking to advise you of any subsequent changes of the facts stated, referenced, or assumed herein or any subsequent changes in applicable law. This opinion is solely for your benefit and may not be used, circulated, quoted, or otherwise referred to for any purpose without our express written permission. We consent to the use of our name in the Proxy Statement/Prospectus and to the filing of this opinion with the Commission as an exhibit to the Registration Statement by post-effective amendment. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is re-

quired under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Commission promulgated thereunder.

Sincerely yours,

/s/ Skadden, Arps, Slate, Meagher & Flom

End of Filing

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