

July/August 2006

Published by RR Donnelley
Editorial Content by West Legalworks
Blake A. Bell, Editor in Chief

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SEC I: SEC Adopts Executive Compensation Disclosure Rules

U. S. Securities and Exchange Commission, [SEC Votes to Adopt Changes to Disclosure Requirements Concerning Executive Compensation and Related Matters](#), News Release 2006-123 (July 26, 2006).

[New Form of Summary Compensation Table](#) (Jul. 26, 2006).

[Introductory Remarks of SEC Chairman Christopher Cox at the July 26 SEC Open Meeting](#) (Jul. 26, 2006).

[Remarks of SEC Commissioner Roel C. Campos at the July 26](#)

[SEC Open Meeting](#) (Jul. 26, 2006).

[Remarks of SEC Commissioner Paul S. Atkins at the July 26 SEC Open Meeting](#) (Jul. 26, 2006).

[Remarks of Daniel Greenspan, Special Counsel in the SEC's Division of Corporation Finance at the July 26 SEC Open Meeting](#) (Jul. 26, 2006).

In the last few months the SEC received more than 20,000 comments -- the most ever -- regarding its proposal to amend rules regarding the disclosure requirements for executive compensation. During its July 26 open meeting, the Commission voted to adopt changes to the rules. According to the Commission:

New company disclosure in the form of a Compensation Discussion and Analysis will address the objectives and implementation of executive compensation programs - focusing on the most important factors underlying each company's compensation policies and decisions.

Following the Compensation Discussion and Analysis section, executive compensation disclosure will be organized into three broad categories: compensation over the last three years; holdings of outstanding equity-related interests received as compensation that are the source of future gains; and retirement plans, deferred compensation and other post-employment payments and benefits.

The Commission will provide in the soon-to-be-issued Release additional guidance regarding disclosure of company programs, plans and practices relating to the granting of options, including in particular the timing of option grants in coordination with the release of material nonpublic information and the selection of exercise prices that differ from the underlying stock's price on the grant date.

Director compensation for the last fiscal year will be required in a Director Compensation Table (along with related narrative), which will be similar in format to the Summary Compensation Table.

The Commission also addressed several related matters. For example, it approved amendments to the related person transaction disclosure requirements. The amendments are intended to streamline and modernize the related person transaction disclosure requirement, while also making it more principles-based.

The Commission also approved changes to rules regarding disclosures

concerning director independence and other corporate governance matters. A new Item 407 of Regulations S-K and S-B will consolidate existing disclosure requirements regarding director independence and related corporate governance matters, in most cases without substantive change, and will also update disclosure requirements regarding director independence to reflect the Commission's current requirements and current listing standards.

The amendments also address securities ownership of officers and directors and will require disclosure of the number of shares pledged by management, and the inclusion of directors' qualifying shares in the total amount of securities owned. In addition, the rules will require companies to prepare most of this information disclosed in proxy and information statements to be handled using "plain English principles in organization, language and design".

The amendments will modify certain disclosure requirements for registered investment companies and business development companies and compliance will be required as follows:

For Forms 8-K, compliance will be required for triggering events that occur 60 days or more after publication in the Federal Register;

For Forms 10-K and 10-KSB, compliance will be required for fiscal years ending on or after Dec. 15, 2006;

For proxy and information statements covering registrants other than registered investment companies, compliance will be required for any new proxy or information statements filed on or after Dec. 15, 2006, that are required to include Item 402 and 404 disclosure for fiscal years ending on or after Dec. 15, 2006;

For initial registration statements and post-effective amendments that are annual updates to effective registration statements that are filed on Forms N-1A, N-2 and N-3 (except those filed by business development companies), compliance will be required for registration statements and post-effective amendments that are filed with the Commission on or after Dec. 15, 2006; and

For proxy and information statements covering registered investment companies, compliance will be required for any new proxy or information statement filed on or after Dec. 15, 2006.

RealCorporateLawyer.com is pleased to make a number of important law firm memoranda regarding these developments available to its readers. *See*:

[SEC Announces Approval of Final Rules on Executive](#)

[Compensation Disclosure — New Requirements Designed to Address Options Back-Dating Controversy from Morrison & Foerster.](#) (8/2/06)

[SEC Adopts Amendments to Compensation Disclosure Rules— Companies Should Prepare Now for Upcoming Proxy Season from Vedder, Price, Kaufman & Kammholz, P.C.](#) (7/31/06)

[SEC Adopts Sweeping Changes to Executive Compensation Disclosure Rules from Covington & Burling LLP.](#) (7/27/06)

[SEC Approves Final Executive Compensation Disclosure Rules from Wachtell, Lipton, Rosen & Katz.](#) (07/27/06)

[SEC Adopts in Part and Re-Proposes in Part its Rules Relating to Disclosure of Executive and Director Compensation from Alston & Bird LLP.](#) (07/27/06)

SEC II: SEC Issues Interpretive Release Providing Soft Dollar Guidance

U. S. Securities and Exchange Commission, [SEC Votes to Publish Interpretive Guidance on "Soft Dollars" Safe Harbor and to Propose Amendments to Regulation SHO](#), News Release 2006-116 (July 12, 2006).

U.S. Securities and Exchange Commission, [Commission Guidance Regarding Client Commission Practices Under Section 28\(e\) of the Securities Exchange Act of 1934](#), Release No. 34-54165 (Jul. 19, 2006).

On July 19, the Commission issued an interpretive release that it voted to provide to the public during its July 12 open meeting. According to the Commission:

The Interpretive Release clarifies that money managers may use client

commissions to pay only for eligible brokerage and research services. The Interpretive Release states that eligible research services are limited to advice, analyses, and reports under Section 28(e). According to the Interpretive Release, this means that traditional research reports, market data, and other items that satisfy the eligibility criteria of Section 28(e) are eligible for the safe harbor as research, but that computer hardware is not. The Interpretive Release also indicates that mass-marketed publications are not eligible under the safe harbor. The Interpretive Release states that eligible brokerage includes those products and services that relate to the execution of the trade from the point at which the money manager communicates with the broker-dealer for the purpose of transmitting an order for execution, through the point at which funds or securities are delivered or credited to the advised account.

The Interpretive Release also indicates that, in order to operate under the safe harbor, the money manager must use the eligible brokerage and research services in a manner that provides lawful and appropriate assistance. For "mixed-use" items that are partly eligible and partly ineligible, the Interpretive Release states that the money manager must make a reasonable allocation of client commissions in accordance with the eligible and ineligible uses of the items. In addition, the Interpretive Release reiterates the statutory requirement that money managers must determine in good faith that the commissions they pay are reasonable in relation to the value of the brokerage and research services that they obtain.

The Interpretive Release also addresses arrangements whereby money managers obtain brokerage and research services from broker-dealers and other research providers. The Interpretive Release states that the safe harbor is available when a money manager does business with a broker-dealer that is involved in "effecting" the money manager's trades and "provides" the research. According to the Release, in order to be "effecting" transactions, the broker-dealer must either execute, clear, or settle the trade, or perform one of four specified functions and allocate the other functions to other broker-dealers. The Interpretive Release also states that Section 28(e) is satisfied, and the safe harbor is available to the money manager, if the broker-dealer that is effecting transactions for the advised accounts is either legally obligated to pay for the research or pays the research preparer directly and takes steps to see that the services to be paid for with client commissions are within Section 28(e). The Interpretive Release states that the Commission will receive and consider additional comment on these client commission arrangements given evolving developments in the industry, and that the Commission may supplement the guidance in the Interpretive Release if it determines that further guidance in this area is appropriate.

Interestingly, although the Interpretive Release will be effective upon publication in the Federal Register, the Commission has stated that market participants will be able to rely on prior Commission guidance for a period of six months following publication.

RealCorporateLawyer.com is pleased to make important law firm memoranda on these developments available to its readers. *See:*

[The SEC Issues Interpretive Release Offering Soft Dollar Guidance from Alston & Bird LLP. \(7/25/06\)](#)

[SEC Adopts Revised Soft Dollars Safe Harbor from Morgan, Lewis & Bockius LLP. \(7/13/06\)](#)

SEC III: SEC Proposes Amendments to Regulation SHO

Also at the July 12 open meeting, the Commission voted to propose amendments to Regulation SHO. Noting that although Regulation SHO, which became effective on January 3, 2005, has "achieved substantial results in reducing fails to deliver," the amendments it proposed are intended "to further reduce the number of persistent fails to deliver" by eliminating grandfathering provisions and narrowing the options market maker exception. In particular, the proposed amendments are intended to "eliminate the grandfather provision in Rule 203(b)(3)(i) and limit the duration of the options market maker exception in Rule 203(b)(3)(ii) to 13 consecutive settlement days from the date on which the security becomes a threshold security or the options position expires or is liquidated, whichever is later". In addition, the proposal includes a technical amendment that would update the market decline limitation referenced in Rule 200(e)(3).

RealCorporateLawyer.com is pleased to make an excellent law firm memorandum on these developments available to its readers. *See:*

[SEC Proposes To Narrow Exceptions To Regulation SHO's Closeout Requirements from Morgan, Lewis & Bockius LLP. \(7/18/06\)](#)

SEC IV: First Shots Fired in Options Backdating Battle - Criminal Action Is Brought

U.S. Department of Justice and U.S. Securities and Exchange

Commission, [U.S. Attorney's Office and SEC Separately Charge Former Brocade CEO and Vice President in Stock Option Backdating Scheme](#), News Release 2006-121 (Jul. 20, 2006).

U.S. Securities and Exchange Commission, [SEC Charges Former Brocade CEO, Vice President, and CFO in Stock Option Backdating Scheme](#), Litig. Release No. 19768 (Jul. 20, 2006).

SEC v. Gregory L. Reyes, Antonio Canova, and Stephanie Jensen, C 06 4435, [Complaint](#) (N.D. Cal., Jul. 20, 2006).

On July 20 the SEC, the U.S. Attorney's Office for the Northern District of California and the FBI jointly announced the filing of criminal and civil securities fraud charges in the first of what may become many instances involving allegations of backdated option grants.

According to the criminal and civil complaints, Gregory L. Reyes, former CEO/President/Chairman of Brocade Communications Systems, and Stephanie Jensen, formerly Brocade's V.P. of Human Resources, regularly caused Brocade to grant "in-the-money" options to both new and current employees between 2000 and 2004, but backdated documents to make it appear that the options were "at-the-money" when granted, thus concealing millions of dollars in expenses from investors. Under well-settled accounting principles applicable at the time, options granted "at-the-money" did not need to be expensed. In contrast, options granted "in-the-money" needed to be recorded as a compensation expense.

The separate criminal and civil complaints allege that Reyes repeatedly used hindsight to select a date with a lower stock price from the recent past as the supposed option grant date. To facilitate the scheme, Jensen created, or directed others to create, paperwork making it appear that the options had been granted on the earlier date. In some instances, employment offer letters and compensation committee minutes were falsified and purported to document

option grants to employees before they had even been hired by the company. As a result of this practice, Brocade was able to give employees “in-the-money” stock options without having to recognize compensation expenses as required by accounting rules. When these stock option abuses surfaced, Brocade was required to restate and revise its financial statements for fiscal years 1999 through 2004.

The Commission's civil complaint also names Antonio Canova, Brocade's former CFO, who is alleged to have learned of the backdating after joining Brocade. According to the complaint, Canova was specifically warned in writing that option paperwork had been forged to enable an employee to get favorably priced options; he took no action and failed to advise Brocade's auditors and Audit Committee. The complaint alleges that despite this knowledge, Canova signed Brocade's false and misleading financial statements and SEC filings.

The criminal complaint, filed in federal court in San Francisco, charges Reyes and Jensen with securities fraud. The Commission's civil complaint, filed in federal court charges Reyes, Canova, and Jensen with fraud and other violations of the federal securities laws, including the books-and-records, internal controls, misrepresentations to auditors, and Sarbanes-Oxley certification provisions. RealCorporateLawyer.com is pleased to make law firm memorandum relating to options backdating and other related developments available to its readers. *See:*

[Steps Corporate Counsel Should Take In Light Of The Controversy Regarding Backdating And Other Issues Relating To The Timing Of Stock Option Grants from Foley & Lardner LLP. \(8/2/06\)](#)

[DOJ And SEC Announce First Charges Stemming From Stock Option Backdating Investigations from Wachtell, Lipton, Rosen & Katz. \(7/28/06\)](#)

SEC V: SEC Issues Concept Release Concerning Management's Reports on Internal Control Over Financial Reporting

U.S. Securities and Exchange Commission, [Concept Release Concerning Management's Reports on Internal Control Over Financial Reporting](#), Release No. 34-54122 (Jul. 11, 2006).

On July 11, the SEC issued a "Concept Release Concerning Management's Reports on Internal Control Over Financial Reporting".

The SEC says that it has issued the Concept Release "to understand better the extent of public interest in the development of additional guidance for management regarding its evaluation and assessment of internal control over financial reporting". As it noted in its May 17, 2006 announcement ([SEC Announces Next Steps for Sarbanes-Oxley Implementation](#)), so that this guidance might be helpful to all companies, the Commission currently intends that any future guidance it issues will be "scalable and responsive to individual circumstances". The Commission also says it is interested in understanding what additional guidance accelerated filers would find helpful. A few of the more interesting of the 35 questions concerning which the Commission seeks input are the following:

1. Would additional guidance to management on how to evaluate the effectiveness of a company's internal control over financial reporting be useful? If so, would additional guidance be useful to all reporting companies subject to the Section 404 requirements or only to a sub-group of companies? What are the potential limitations to developing guidance that can be applied by most or all reporting companies subject to the Section 404 requirements?
2. Are there special issues applicable to foreign private issuers that the Commission should consider in developing guidance to management on how to evaluate the effectiveness of a company's internal control over financial reporting? If so, what are these? Are such considerations applicable to all foreign private issuers or only

to a sub-group of these filers?

3. What guidance is needed to help management implement a “top-down, risk-based” approach to identifying risks to reliable financial reporting and the related internal controls?

4. Does the existing guidance, which has been used by management of accelerated filers, provide sufficient information regarding the identification of controls that address the risks of material misstatement? Would additional guidance on identifying controls that address these risks be helpful?

5. In light of the forthcoming COSO guidance for smaller public companies, what additional guidance is necessary on risk assessment or the identification of controls that address the risks?

6. What type of guidance would help explain how entity-level controls can reduce or eliminate the need for testing at the individual account or transaction level? If applicable, please provide specific examples of types of entity-level controls that have been useful in reducing testing elsewhere.

7. Would guidance on how management's assessment can be based on evidence other than that derived from separate evaluation-type testing of controls, such as on-going monitoring activities, be useful? What are some of the sources of evidence that companies find most useful in ongoing monitoring of control effectiveness? Would guidance be useful about how management's daily interaction with controls can be used to support its assessment?

8. Were the levels of documentation performed by management in the initial years of completing the assessment beyond what was needed to identify controls for testing? If so, why (e.g., business reasons, auditor required, or unsure about “key” controls)? Would specific guidance help companies avoid this issue in the future? If so, what factors should be considered?

9. What guidance is needed about the form, nature, and extent of documentation that management must maintain as evidence for its assessment of risks to financial reporting and control identification? Are there certain factors to consider in making judgments about the nature and extent of documentation (e.g., entity factors, process, or account complexity factors)? If so, what are they?

SEC VI: Kathleen L. Casey Sworn in as 88th SEC Commissioner by Chairman Christopher Cox

U.S. Securities and Exchange Commission, [Kathleen Casey Sworn In as 88th SEC Commissioner](#), News Release 2006-118 (Jul. 17, 2006).

[SEC Biography: Commissioner Kathleen L. Casey](#)

Kathleen L. Casey was sworn in as 88th SEC Commissioner by Chairman Christopher Cox. Commissioner Casey was appointed by President George W. Bush to be a Commissioner of the Securities and Exchange Commission on May 18, 2006.

Ms. Casey recently served as Staff Director and Counsel of the Senate Banking, Housing, and Urban Affairs Committee. From 1996-2003, Commissioner Casey served as Legislative Director and Chief of Staff, respectively, for Senator Richard Shelby (R-AL). From 1994-1996, Ms. Casey served as Staff Director of the Subcommittee on Financial Institutions and Regulatory Relief, Senate

Banking Committee. Commissioner Casey also served Senator Shelby as Legislative Assistant from 1993-1994. Her term on the Commission expires in 2011.

PCAOB: PCAOB Issues Audit Practice Alert on "Matters Related to Timing and Accounting for Option Grants"

Public Company Accounting Oversight Board, [PCAOB Issues Audit Practice Alert Regarding Timing and Accounting for Stock Option Grants](#) (Jul. 28, 2006).

Public Company Accounting Oversight Board, [Staff Audit Practice Alert No. 1: Matters Related To Timing and Accounting for Option Grants](#) (Jul. 28, 2006).

On July 28, the Public Company Accounting Oversight Board issued its first-ever "Staff Audit Practice Alert" in response to recent reports and disclosures about issuer practices related to the granting of stock options, including the "backdating" of such grants. According to the PCAOB:

"These reports and disclosures indicate that some issuers' actual practices in granting options might not have been consistent with the manner in which these transactions were initially recorded and disclosed. Some issuers have announced restatements of previously issued financial statements as a result of these practices. In addition, some of these practices could result in legal and other contingencies that may require recognition of additional expense or disclosure in financial statements."

The alert advises auditors that these practices may have implications for audits of financial statements or of internal control over financial reporting and discusses factors that may be relevant in assessing the risks related to these matters.

COSO: COSO Issues Guidance On "Internal Controls Over Financial Reporting -- Guidance for Small Public Companies"

The Committee of Sponsoring Organizations of the Treadway Commission, [Home Page: Internal Control Over Financial Reporting - Guidance for Small Public Companies](#)

The Committee of Sponsoring Organizations of the Treadway Commission, [New Guidance for Small Businesses To Be Released](#), News Release (Jul. 7, 2006).

The Committee of Sponsoring Organizations of the Treadway Commission, [FAQs Regarding Internal Control Over Financial Reporting - Guidance for Smaller Public Companies](#) (June 2006).

The Committee of Sponsoring Organizations of the Treadway Commission, [The Executive Summary](#) (June 2006).

In early July, The Committee of Sponsoring Organizations of the Treadway Commission (COSO) issued guidance on internal controls over financial reporting for small public companies. Fourteen years ago, in 1992, COSO issued "Internal Control -- Integrated Framework". The new guidance is not intended to replace or modify the 1992 statement. Rather, according to COSO, it is intended to provide guidance on how smaller companies should apply it. COSO notes that the main report, available for purchase [here](#), consists of three volumes. The first is the Executive Summary, providing a big picture overview of the guidance. The second provides an overview of internal control over financial reporting in smaller businesses, including descriptions of company characteristics and how they affect internal control, challenges smaller businesses face, and how management can use the 1992 "Framework". It presents twenty fundamental principles drawn from the "Framework," together with related attributes, approaches and examples of how smaller businesses can

apply the principles cost-effectively. The third contains "illustrative tools" to help management evaluate internal controls.

PRACTICAL GUIDANCE: Courtesy of RealCorporateLawyer.com

RealCorporateLawyer.com provides its readers with free access to a very large collection of law firm memoranda providing practical guidance on current hot topics. Readers are encouraged to visit the frequently-updated "[Emerging Legal Issues](#)" area of the home page for such current memoranda, as well as the [Expert Analysis: SEC Reform Portal](#) section containing hundreds of other such memoranda. Recent additions include:

<p>SEC Adopts Amendments to Compensation Disclosure Rules— Companies Should Prepare Now for Upcoming Proxy Season from Vedder, Price, Kaufman & Kammholz, P.C. (7/31/06)</p>	<p>SEC Seeks Comments Regarding Guidance on Section 404 Requirements from Alston & Bird LLP. (7/14/06)</p>
<p>DOJ And SEC Announce First Charges Stemming From Stock Option Backdating Investigations from Wachtell, Lipton, Rosen & Katz. (7/28/06)</p>	<p>SEC Adopts Revised Soft Dollars Safe Harbor from Morgan, Lewis & Bockius LLP. (7/13/06)</p>
<p>Corporate Governance: A Seismic Shift in the Mechanics of Electing Directors from Wachtell, Lipton, Rosen & Katz. (7/28/06)</p>	<p>Impact of Recent NASDAQ Changes on Listed Companies from Morrison & Foerster. (7/13/06)</p>
<p>Delaware Amends General Corporation Law to Address Issues Related to Majority Voting for Director Elections from Morrison & Foerster. (7/28/06)</p>	<p>A Review Of SEC Comments On Form 10-Q from Leonard, Street and Deinard. (7/12/06)</p>
<p>What Duties Are Owed By A Controlling Stockholder To Minority Stockholders When Selling A Controlling Interest? from Snell & Wilmer L.L.P. (7/28/06)</p>	<p>Pressuring Companies To Cut Off Employee Indemnification: Good Faith Cooperation Or A Violation Of Constitutional Rights? from Morgan, Lewis & Bockius LLP. (7/12/06)</p>
<p>SEC Adopts Sweeping Changes to Executive Compensation Disclosure Rules from Covington & Burling LLP. (7/27/06)</p>	<p>Important Amendments to Delaware's General Corporation Law: A Step Toward Majority Voting from Pullman & Comley, LLC. (7/12/06)</p>

	Pullman &Comley, LLC. (7/12/06)
SEC Approves Final Executive Compensation Disclosure Rules from Wachtell, Lipton, Rosen & Katz. (07/27/06)	SEC Charges Investment Bank with Deficient Oversight of Employee Trading from Wachtell, Lipton, Rosen & Katz. (7/11/06)
SEC Adopts in Part and Re-Proposes in Part its Rules Relating to Disclosure of Executive and Director Compensation from Alston & Bird LLP. (07/27/06)	Delaware Adopts Majority Voting Amendments from Wachtell, Lipton, Rosen & Katz. (7/10/06)
The SEC Issues Interpretive Release Offering Soft Dollar Guidance from Alston & Bird LLP. (7/25/06)	SEC Charges Supplier for Assisting Customer's Securities Law Violations from Wachtell, Lipton Rosen & Katz. (7/5/06)
The SEC's Gun-Jumping Rules: Alive and Well from Alston & Bird LLP. (7/24/06)	Abandoning or Supporting Employees During Government Investigations - A New Balance? from Covington & Burling (7/5/06)
Discretionary Anti-dilution Adjustments in Equity Compensation Plans May Lead to Unanticipated Compensation Charges from Alston & Bird LLP. (7/24/06)	DOJ Policy That Discourages Corporate Advancement of Legal Fees Is Found Unconstitutional from Wachtell, Lipton, Rosen & Katz (7/5/06)
New Accounting Guidance Imposes a Charge for Certain Discretionary Adjustments to Stock-Based Awards from Wachtell, Lipton, Rosen & Katz. (7/20/06)	U.S. Court Strikes Down SEC's Hedge Fund Rules from McDermott Will & Emery. (6/30/06)
Update on Rule 10b5-1 Plans from Leonard, Street and Deinard. (7/18/06)	Future of Hedge Fund Regulation Uncertain After D.C. Circuit Vacates SEC's Hedge-Fund-Adviser Registration Rule from Wachtell, Lipton, Rosen & Katz. (6/29/06)
Knowledge of Wrongdoing Cannot Be Inferred Merely from CEO / CFO Certifications. (7/19/06)	The Current Enforcement Environment from Wachtell, Lipton, Rosen & Katz. (6/28/06)
SEC Proposes To Narrow Exceptions To Regulation SHO's Closeout Requirements from Morgan, Lewis &	Upcoming Changes to NASDAQ from Covington & Burling LLP (6/28/06)

Bockius LLP . (7/18/06)	
Canadian Securities Administrators Announce They Do Not Intend to Implement any Version of Sarbanes-Oxley Section 404 in Canada. (7/14/06)	

Please don't forget that RR Donnelley has released the latest supplement to its widely-acclaimed SEC Handbook. The full-text searchable supplement is available via RealCorporateLawyer.com and is entitled "[SEC Handbook Supplement: Securities Act of 1933 Offering Reform Final Rules - 17 CFR Parts 200, 228, 229, et al. Effective Date: December 1, 2005](#)". The [Table of Contents](#) for the detailed and exceptionally rich primer on the recently adopted Securities Offering Final Rules shows how detailed and substantial the treatment of the subject is in this 142-page Supplement.

COMINGS AND GOINGS: Who's Doing and Saying What and Where?

The SEC announced on July 31 that **James L. Carley** has been appointed as Associate District Administrator for Examinations in the Commission's Atlanta District Office. See U.S. Securities and Exchange Commission, [SEC Names Associate District Administrator in Atlanta](#), News Release 2006-126 (Jul. 31, 2006).

Conrad Hewitt was named the Commission's Next Chief Accountant according to an announcement released July 24. See U.S. Securities and Exchange Commission, [Chairman Christopher Cox Names Conrad Hewitt to Be the Commission's Next Chief Accountant](#), News Release 2006-122 (Jul. 24, 2006).

SEC Chairman **Christopher Cox** swore in **Kathleen L. Casey** as the 88th SEC Commissioner on May 18 2006. See U.S. Securities and Exchange Commission, [Kathleen Casey Sworn In as 88th SEC Commissioner](#), News Release 2006-118 (Jul. 17, 2006).

David Plumlee, Marlene Plumlee, and Tom Noland Were Named Academic Fellows in the SEC's Office of the Chief Accountant on July 12. See U.S. Securities and Exchange Commission, [David Plumlee, Marlene Plumlee, and Tom Noland Named Academic Fellows in SEC Office of the Chief Accountant](#),

News Release 2006-115 (Jul. 12, 2006).

Parveen Gupta was named the Academic Accounting Fellow for the SEC's Division of Corporation Finance on July 11. *See* U.S. Securities and Exchange Commission, [Parveen Gupta Named Academic Accounting Fellow for SEC Division of Corporation Finance](#), News Release 2006-113 (Jul. 11, 2006).

On July 10 the Commission announced the appointment of **Kimberly Garber** as Associate District Administrator for Examinations in the Commission's Fort Worth District Office. *See* U. S. Securities and Exchange Commission, [Kimberly Garber Named Fort Worth District Office Associate District Administrator for Examinations](#), News Release 2006-111 (Jul. 10, 2006).

According to an announcement issued June 29, **Lori Schock** has been named the Acting Director of the Commission's Office of Investor Education and Assistance. She succeeds **Susan Ferris Wyderko**, who left after 20 years of service with the Commission. *See* U. S. Securities and Exchange Commission, [Lori Schock Named Acting Director of Investor Education and Assistance](#), News Release 2006-105 (Jun. 29, 2006).

What Are the Commissioners Saying?

During the July 26 SEC Open Meeting the following commissioners delivered remarks regarding the executive compensation disclosure rules: Chairman [Christopher Cox](#), [Roel C. Campos](#), and [Paul S. Atkins](#). On July 20 Chairman Cox delivered "[Remarks at Press Conference on Actions Against Communications Systems](#)". Chairman Cox also delivered an "[Opening Statement at the Seniors Summit](#)". Several of the Commissioners delivered opening statements at the July 12 SEC Open Meeting that dealt with, among other things, the soft dollar interpretive release including: [Chairman Cox](#), and [Roel C. Campos](#) (who also delivered a [second statement](#)). **Chairman Cox** also delivered [videotaped remarks at the Other Russia Conference](#) on July 12. On July 6, Commissioner **Paul S. Atkins** delivered "[Remarks Before the International Corporate Governance Network 11th Annual Conference](#)". On July 6, before her departure, Commissioner **Cynthia A. Glassman** delivered "[Observations of an](#)

[Economist Commissioner on the SEC](#)". Commissioner Atkins delivered "[Remarks Before the Society of Corporate Secret Governance Professionals](#)".

What Are the Commission Staffers Saying?

On July 26, **Daniel Greenspan**, Special Counsel of the SEC's Division of Corporate Finance, delivered an [opening statement](#) at the SEC's July 26 Open Meeting. **Linda Chatman Thomsen**, Director of the SEC's Division of Enforcement, delivered "[Remarks at Press Conference on Actions Against Brocade Communications Systems, Inc.](#)" on July 20. **Andrew J. Donohue**, Director of the SEC's Division of Investment Management, delivered "[Remarks Before the National Association for Variable Annuities 2006 Compliance and Regulatory Affairs Conference](#)" on June 26.

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