

SECURITIES REGULATION ALERT

August 1, 2007

Financial Industry Regulatory Authority Commences Operations

Effective July 30, 2007, the Financial Industry Regulatory Authority (“FINRA”) commenced operations as the largest non-governmental regulatory organization for securities broker-dealers in the United States. FINRA was created through the consolidation of the National Association of Securities Dealers (“NASD”) and the member regulation, enforcement and arbitration functions of the New York Stock Exchange (“NYSE”). The consolidation is intended to streamline the broker-dealer examination and regulatory system within a single self-regulatory organization. FINRA is subject to the Securities and Exchange Commission’s oversight and is responsible for rulemaking, securities firm examination, and enforcement, arbitration and mediation functions for NASD and/or NYSE member firms, as well as all functions previously conducted by the NASD. FINRA’s rulebook includes the NASD rules and certain NYSE rules that FINRA has incorporated into its rulebook. These rules will continue to apply until such time as FINRA adopts a consolidated rulebook for all its members. In its interpretation of such rules, FINRA will continue to apply the NASD and NYSE interpretive materials that were in effect prior to its commencement of operations.

If you have any questions or comments, or wish additional information regarding this matter, please contact any of the following attorneys:

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