Draft 1/22 7:30 pm

SARBANES-OXLEY IMPLEMENTATION

Rulemaking Status

I. Final Rules Adopted by the Commission

1. CEO and CFO Certification (August 27, 2002)
2. Accelerated Deadlines for Disclosures of Insider Transactions (August 27, 2003)
3. Prohibition on Insider Trades During Blackout Periods (January 15, 2003)
4. Pro-Forma Financial Disclosure (January 15, 2003)
5. Code of Ethics For Senior Financial Officers (January 15, 2003)
6. Disclosure of Audit Committee Financial Experts (January 15, 2003)
7. Auditor Independence (January 22, 2003)
8. Disclosure of Material Off-Balance Sheet Transactions (January 22, 2003)
9. Document Retention by Auditors (January 22, 2003)

II. Proposed Rules Required to Be Finalized by January 26, 2003

1. Standards of Professional Conduct for Attorneys

III. Proposed Rules To Be Finalized After January 26, 2003

1. Improper Influence on Audits (by April 25, 2003)
2. Public Company Audit Committees (by April 25, 2003)
3. Internal Control Report as Part of Annual Report (no deadline)

I. FINAL RULES ADOPTED BY THE COMMISSION

1. CEO AND CFO CERTIFICATION (Sections 302 and 906)

- On August 27, 2002, the Commission adopted rules to require CEOs and CFOs to certify the financial and other information in issuers' quarterly and annual reports.
- The rules require an issuer's principal executive and financial officers each to certify, with respect to the issuer's quarterly and annual reports, that:
  - the report does not contain any untrue statement of a material fact or omit to state a material fact;
  - the financial statements fairly present in all material respects the financial condition and results of operations of the issuer;
  - they are responsible for establishing and maintaining "disclosure controls and procedures" to ensure that material information is made known to them;
  - they have disclosed to the issuer's auditors and to the audit committee of the board of directors any material weaknesses in internal controls and any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal controls;
  - they have indicated in the report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation.
- The new rules apply to the principal executive and financial officers of any issuer that files quarterly and annual reports with the Commission, including foreign private issuers and small business issuers.
- The final rules became effective on August 29, 2002.

2. ACCELERATED DEADLINES FOR DISCLOSURES OF INSIDER TRANSACTIONS (Section 403)

- On August 27, 2002, the Commission adopted rules to require insiders to report a change in ownership of securities of a registrant, or purchase or sale of a security-based swap agreement, "before the end of the second day on which the subject transaction has been executed."
- The final rule became effective on August 29, 2002.

3. PROHIBITION ON INSIDER TRADES DURING BLACKOUT PERIODS (Section 306(a))

- On January 15, 2003, the Commission adopted final rules (developed in conjunction with the Department of Labor) to clarify the scope and application of Section 306(a) of the Act, which generally prohibits directors and executive officers of an issuer from selling an equity security of the issuer during a pension fund blackout period, if the security was acquired in connection with the director's or officer's employment.

- The rules apply to all reporting companies, including foreign private issuers, banks and savings associations, and small businesses.

- Allegations have been made in several highly-publicized cases over the past year that at a time when rank-and-file employees were precluded from selling their employer's equity securities in their pension plan accounts, corporate executives were exercising and cashing out their employee stock options and selling other securities acquired through compensation plans.

- The Act's trading prohibition should mitigate the risk that corporate executives are putting their personal interests ahead of their responsibilities to their employees and stockholders.

- Section 306(a) of the Act becomes effective January 26, 2003.

4. **PRO FORMA FINANCIAL DISCLOSURE** (Section 401(b))

- On January 15, 2002, the Commission adopted final rules to address public companies' disclosure or release of 'pro forma', or non-GAAP, financial information.

- The rules adopt new Regulation G, which prohibits material misstatements or omissions that would make the presentation of a material "non-GAAP financial measure" misleading. Regulation G also requires public companies that disclose or release non-GAAP financial measures to include in the same disclosure or release a presentation of the most comparable GAAP financial measure, as well as a reconciliation of the disclosed non-GAAP financial measure to the most comparable GAAP financial measure.

- The rule contains a limited exception for foreign private issuers.

5. **CODE OF ETHICS FOR SENIOR FINANCIAL OFFICERS** (Section 406)

- On January 15, 2003, the Commission adopted final rules which require companies to disclose in their annual report whether they have adopted a code of ethics for the CEO and senior financial officers; and to disclose on a current basis amendments to, and waivers from, the code of ethics relating to such officers.

- The rules define a code of ethics as a codification of standards that are reasonably necessary to deter wrongdoing and to promote honest and ethical conduct; avoidance of conflicts of interest; full, accurate, and timely disclosure in reports; compliance with law; prompt internal reporting of code violations; and accountability for adherence to the code.

6. **DISCLOSURE OF AUDIT COMMITTEE FINANCIAL EXPERTS** (Section 406)

- On January 15, 2003, the Commission adopted final rules which require companies to disclose whether the audit committee has at least one member who is a "financial expert", as defined by reference to all the attributes listed in Section 407 of the Act (understanding of GAAP and financial statements; experience preparing or auditing financial statements of comparable issuers; experience applying those principles to accounting for estimates, accruals and reserves; experience with internal auditing controls; and understanding of audit committee functions).

7. **AUDITOR INDEPENDENCE** (Sections 201-204, 206, 208)

- On January 22, 2003, the Commission approved final rules to amend existing auditor independence requirements.

- The final rules recognize the critical role played by audit committees in the financial reporting process and the unique position of audit committees in assuring auditor independence.

- As directed by the Act, the final rules will, among other things:

    - prohibit auditors from performing certain non-audit services for audit clients under certain circumstances (*e.g.*, bookkeeping, actuarial, or valuation services, financial information systems design, and others). Generally, with respect to services other than bookkeeping, the rules permit the non-audit services to be provided where it is reasonable to conclude that the results of the services will not be subject to audit procedures as part of the audit of the client's financial statements.
    - require audit committee pre-approval of all audit and non-audit services provided by the auditor;
    - prohibit lead audit engagement team partners from providing audit services to the issuer for more than five consecutive years, and other team partners from providing audit services for more than 7 consecutive years;
    - prohibit an accounting firm from auditing a client's financial statements if certain members of the client's management had been members of the accounting firm's audit engagement team within one year prior to the commencement of the audit;
    - require that an auditor report certain matters to the issuer's audit committee, including "critical" accounting policies used by the issuer; and

  - require disclosures to investors of information related to the audit and non-audit services provided by, and fees paid by the issuer to, the auditor of the issuer's financial statements.

8. **DISCLOSURE OF MATERIAL OFF-BALANCE SHEET TRANSACTIONS** (Section 401(a))

- On January 22, 2003, the Commission approved final rules requiring periodic reports filed with the Commission to disclose material off-balance-sheet transactions.

- The final rules require disclosure of off-balance sheet transactions or arrangements that "could" have a material effect on the company (in other words, if the likelihood of an off-balance sheet transaction having a material effect on a company is more than "remote").

9. **DOCUMENT RETENTION BY AUDITORS** (Section 802)

- On January 22, 2003, the Commission approved final rules that require auditors to retain certain audit records for a seven-year period after completing an audit or review of a registrant's financial statements.

II. PROPOSED RULES WHICH MUST BE FINALIZED BY JANUARY 26, 2003

1. **STANDARDS OF PROFESSIONAL CONDUCT FOR ATTORNEYS** (Section 307)

- On November 21, 2002, the Commission proposed rules to prescribe standards of conduct for attorneys appearing before the Commission. These rules underscore the principle that an attorney representing an issuer represents the entity, rather than the individuals with whom the attorney interacts in the course of the representation, and that the attorney is obligated to act in the best interests of the entity and its shareholders.

- The proposed rules require an attorney to report evidence of a material violation of the securities laws or a material breach of fiduciary duty or similar material violation by the company, or its agents, to the chief legal counsel or CEO of the company (so-called "up the ladder" reporting. If they do not respond appropriately, the attorney is required to report the evidence to the audit committee, another committee of independent directors, or the full board.

- The proposed rule also obligates a reporting outside attorney, who has not received an appropriate response to an "up the ladder" report, and who reasonably believes that the reported material violation is ongoing or is about to occur *and* is likely to result in substantial injury to the financial interest of the issuer or investors, to withdraw from representation, notify the Commission of their withdrawal, and disaffirm any submission to the Commission which the attorney believes has been tainted by a material violation. This so-called "noisy withdrawal" provision is not mandated by Section 307, but the Commission stated in the proposed rule that such a provision is important to the effective operation of the reporting obligation in instances where an issuer does not respond appropriately to internal reporting.

- Final rules are required to be issued by January 26, 2003.

III. PROPOSED RULES TO BE FINALIZED AFTER JANUARY 26, 2003

1. IMPROPER INFLUENCE ON AUDITS (Section 303)

- On October 16, 2002, the Commission voted to propose rules to implement a provision of the Act that prohibits an issuer's officers, directors or persons acting under their direction, from taking any action to fraudulently influence, coerce, manipulate or mislead the auditor of the issuer's financial statements for the purpose of rendering those financial statements materially misleading.

- Final rules are to be issued by April 25, 2003.

2. PUBLIC COMPANY AUDIT COMMITTEES (Section 404)

- On January 8, 2003, the Commission proposed a rule that would direct the national securities exchanges and national securities associations to prohibit the listing of any security of an issuer that is not in compliance with the audit committee requirements established by the Act.

- These requirements, enumerated in the Act, relate to:

  - the independence of audit committee members;

  - the audit committee's responsibility to select and oversee the issuer's independent accountant;

  - procedures for handling complaints regarding the issuer's accounting practices;

  - the authority of the audit committee to engage advisors; and

  - funding for the independent auditor and any outside advisors engaged by the audit committee.

- Final rules are to be issued by April 25, 2003.

3. INTERNAL CONTROL REPORT AS PART OF ANNUAL REPORT (Section 404)

- On October 16, 2002, the Commission proposed rules requiring companies to file an internal control report as part of its annual report. This report would address management's responsibility to establish internal controls and procedures for financial reporting and require management to evaluate the effectiveness of those controls and procedures as of the end of the fiscal year.

- Under the Act, the Company's auditor must attest to and report on management's assertions in the internal control report.

- The Act imposes no deadline for issuance of the final rule.

COMMISSION STUDIES REQUIRED UNDER THE ACT

1. **FAIR FUNDS FOR INVESTORS** (Section 308(c))

- The Commission is required to study and report on civil penalties and disgorgement to determine how to maximize efficiency, including recommendations to address any concerns noted in the study.

- The report is due by January 26, 2003.

2. **CREDIT RATING AGENCIES** (Section 702)

- The Commission is to study and report on the role and function of credit rating agencies in the operation of securities markets.

- The report is due by January 26, 2003

3. **AIDING AND ABETTING LIABILITY** (Section 703)

- The Commission is to study and report to Congress on securities professionals who have "aided and abetted" violations of federal securities laws between 1998 and 2001.

- The report is due by January 26, 2003

4. **ENFORCEMENT ACTIONS** (Section 704)

- The Commission is to study and report to Congress on all of its enforcement actions involving violations of reporting requirements and restatements, within the previous five years, to identify areas most susceptible to fraud or manipulation.

- The report is due by January 26, 2003

5. **PRINCIPLES-BASED ACCOUNTING** (Section 108(d))

- The Commission is to study and report to Congress on principles-based accounting.

- The report is due by July 30, 2003

6. **SPECIAL PURPOSE ENTITIES** (Section 401(c)(1))

- The Commission is to study and report to congress on off-balance-sheet transactions and special purpose entities to ascertain the extent of their use and whether the accounting treatment afforded them results in transparency.

- The report is due within one year of adoption of the off-balance sheet disclosure rules. A further report and recommendations to the President and the Congress based on the Commission's findings must be made within six months of completion of the study.

SEC NEWS DIGEST

Issue 2003-14 January 22, 2003

COMMISSION ANNOUNCEMENTS

SEC ADOPTS MEASURES TO CERTIFY MANAGEMENT INVESTMENT COMPANY SHAREHOLDER REPORTS

The Commission today approved the adoption of rule and form amendments that implement the certification requirement of Section 302 of the Sarbanes-Oxley Act of 2002 with respect to registered management investment companies. The amendments will require mutual funds and other registered management investment companies to file shareholder reports on Form N-CSR and will require each registered management investment company's principal executive and financial officers to certify the information contained in these reports in the manner specified by Section 302. In addition, the Commission voted to adopt rule and form amendments that will require mutual funds and other registered management investment companies to include new disclosures on Form N-CSR and Form N-SAR in order to implement the "code of ethics" and "financial expert" disclosure requirements of Sections 406 and 407 of the Sarbanes-Oxley Act of 2002.

The amendments that the Commission approved include the following.

* Certified Shareholder Reports on Form N-CSR. The amendments will require mutual funds and other registered management investment companies to file certified shareholder reports with the Commission on new Form N-CSR. The amendments will also designate these certified shareholder reports as reports that are required under Sections 13(a) and 15(d) of the Securities Exchange Act of 1934.

* Disclosure Controls and Procedures. The amendments will require registered management investment companies to maintain, and regularly evaluate the effectiveness of, controls and procedures designed to ensure that the information required in filings on Form N-CSR is recorded, processed, summarized and reported on a timely basis.

* Replacement of Certification Requirement on Form N-SAR. The amendments will replace the certification requirement of Form N-SAR for registered management investment companies with the certification requirement in Form N-CSR. This will better implement the certification requirement of Section 302 of the Sarbanes-Oxley Act of 2002 because the requirement was intended to improve the quality of the disclosure that a company provides about its financial condition in its periodic reports to shareholders. For registered management investment companies, the required reports to shareholders will be contained in Form N-CSR, rather than Form N-SAR, which is primarily a regulatory reporting form for use by the Commission in its inspection and compliance programs.

* Code of Ethics Disclosure. The amendments will implement Section 406 of the Sarbanes-Oxley Act with respect to registered management investment companies by requiring a registered management investment company to disclose whether it has adopted a code of ethics that applies to its principal executive officer and senior financial officers or persons performing similar

functions. If it has not, the investment company will be required to explain why it has not. The amendments will also require an investment company to disclose amendments to, and waivers from, the code of ethics relating to any of those officers. These disclosure requirements will be similar to those that the Commission adopted last week for operating companies.

* "Audit Committee Financial Expert" Disclosure. The amendments will implement Section 407 of the Sarbanes-Oxley Act with respect to registered management investment companies by requiring a registered management investment company to disclose whether it has at least one "audit committee financial expert" serving on its audit committee, and if so, the name of the expert and whether the expert is independent of management. An investment company that does not have an audit committee financial expert will be required to disclose this fact and explain why it has no such expert. These disclosure requirements will be similar to those that the Commission adopted last week for operating companies.

These measures will be effective 30 days after their publication in the Federal Register.

The full text of detailed releases concerning each of these items will be posted to the SEC Web site as soon as possible. (Press Rel. 2003-8)

COMMISSION ADOPTS RULES STRENGTHENING AUDITOR INDEPENDENCE

The Commission today voted to adopt rules to fulfill the mandate of Title II of the Sarbanes-Oxley Act of 2002, strengthen auditor independence and require additional disclosures to investors about the services provided to issuers by the independent accountant.

The Commission approved measures that will

* revise the rules related to the non-audit services that, if provided to an audit client, would impair an accounting firm's independence;

* require that certain partners on the audit engagement team rotate after no more than five or seven consecutive years, depending on the partner's involvement in the audit, except that certain small accounting firms may be exempt from this requirement;

* establish rules that an accounting firm would not be independent if certain members of management of that issuer had been members of the accounting firm's audit engagement team within the one-year period preceding the commencement of audit procedures;

* establish rules that an accountant would not be independent from an audit client if any "audit partner" received compensation based on the partner procuring engagements with that client for services other than audit, review and attest services;

* require the auditor to report certain matters to the issuer's audit committee, including "critical" accounting policies used by the issuer;

* require the issuer's audit committee to pre-approve all audit and non-audit services provided to the issuer by the auditor; and

* require disclosures to investors of information related to audit and non-audit services provided by, and fees paid to, the auditor.

Non-Audit Services

Section 201 of the Sarbanes-Oxley Act lists nine non-audit services that, if provided by the accounting firm, impair the firm's independence. The rules approved for adoption by the Commission, will define the prohibited services as follows.

* Bookkeeping or other services related to the accounting records or financial statements of the audit client

The rules will prohibit an accountant from auditing the bookkeeping work performed by his or her accounting firm.

* Financial information systems design and implementation

Consistent with our previous rules, these rules will prohibit the accounting firm from providing any service related to the audit client's information system, unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of the audit client's financial statements. These rules will not preclude an accounting firm from working on hardware or software systems that are unrelated to the audit client's financial statements or accounting records as long as those services are pre-approved by the audit committee.

* Appraisal or valuation services, fairness opinions, or contribution-in-kind reports

Appraisal and valuation services include any process of valuing assets, both tangible and intangible, or liabilities. Fairness opinions and contribution-in-kind reports are opinions and reports in which the firm provides its opinion on the adequacy of consideration in a transaction. These rules will prohibit the accountant from providing such services unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of the audit client's financial statements.

* Actuarial services

These rules will prohibit an accountant from providing to an audit client any actuarially oriented advisory service involving the determination of amounts recorded in the financial statements and related accounts for the audit client unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of the audit client's financial statements. The accountant, however, may assist a client in understanding the methods, models, assumptions and inputs used in computing an amount.

* Internal audit outsourcing services

These rules will prohibit the accountant from providing any internal audit service that has been outsourced by the audit client that relates to the audit client's internal accounting controls, financial systems or financial statements unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of the audit client's financial statements.

During the conduct of the audit or when providing attest services related to internal controls, the auditor evaluates the company's internal controls and, as a result, may make recommendations to the audit client for improvements to the controls. Doing so is a part of the accountant's responsibilities under GAAS or applicable attestation standards and, therefore, is not a prohibited service.

* Management functions or human resources

Consistent with our proposal, the final rules will prohibit the accountant from acting, temporarily or permanently, as a director, officer or employee of an audit client, or performing any decision-making, supervisory, or ongoing monitoring function for the audit client.

These rules also will provide that an accountant's independence is impaired with respect to an audit client when the accountant seeks out prospective candidates for managerial, executive or director positions; acts as negotiator on the audit client's behalf; or undertakes reference checks of prospective candidates. Under the rule, an accountant's independence also will be impaired when the accountant engages in psychological testing or other formal testing or evaluation programs, or recommends or advises the audit client to hire a specific candidate for a specific job.

* Broker or dealer, investment adviser, or investment banking services

Acting as a broker-dealer (registered or unregistered), promoter or underwriter on behalf of an audit client and similar activities will make the accountant an advocate for the audit client and will impair the accountant's independence.

* Legal services

An accountant will be prohibited from providing to an audit client any service that, under circumstances in which the service is provided, could be provided only by someone licensed, admitted, or otherwise qualified to practice law in the jurisdiction in which the service is provided.

* Expert services unrelated to the audit

These rules will prohibit an accountant from providing expert opinions or other expert services to an audit client, or a legal representative of an audit client, for the purpose of advocating that audit client's interests in litigation or in a regulatory or administrative proceeding or investigation. An accountant's independence will not be impaired, however, by an accountant providing factual accounts or testimony or explaining the positions taken or conclusions reached during the performance of any service by the accountant.

Audit Committee Pre-Approval of Services Provided by Auditor

Sections 201 and 202 of the Sarbanes-Oxley Act provide that an issuer's audit committee must pre-approve allowable services to be provided by the auditor of the issuer's financial statements. The rules will implement those sections of the Act by requiring that the audit committee pre-approve all services. In doing so, the audit committee may establish policies and procedures for pre-approval provided they are consistent with the Act, detailed as to the particular service, and designed to safeguard the continued independence of the accountant.

Consistent with the Act, the rules also will reflect a de minimis exception solely related to the provision of non-audit services for an issuer. This exception waives the pre-approval requirements for non-audit services provided that all such services (1) do not aggregate to more than five percent of total revenues paid by the audit client to its accountant in the fiscal year when services are provided; (2) were not recognized as non-audit services at the time of the engagement; and (3) are promptly brought to the attention of the audit committee and approved prior to the completion of the audit by the audit committee or one or more designated representatives.

Disclosures to Investors of Services Provided by the Auditor

Section 202 of the Sarbanes-Oxley Act will require disclosure in periodic reports of non-audit services approved by the audit committee. The rules will require that issuers provide, in their annual reports, fees paid to the independent accountant for (1) audit services, (2) audit-related services, (3) tax services, and (4) other services. Additionally, the disclosures must include the audit committee's policies and procedures for pre-approval of services by the independent accountant as well as the percent of fees paid subject to the de minimis exception.

Permitted Non-audit Service - Tax Service

Section 201 of the Sarbanes-Oxley Act specifically provides that "a registered public accounting firm may engage in any non-audit service, including tax services," that is not expressly prohibited, after audit committee pre-approval. Accordingly, accountants will be able to continue to provide tax compliance, tax planning and tax advice to audit clients, subject to audit committee pre-approval requirements. There are, however, some circumstances where providing certain tax services to an audit client would impair the independence of an accountant, such as representing an audit client in tax court or other situations involving public advocacy.

Audit Partner

The rules will define a new term-audit partner-for purposes of the requirements for partner rotation and partner compensation. An audit partner will be defined as a partner who is a member of the audit engagement team who has responsibility for decision-making on significant auditing, accounting and reporting matters that affect the financial statements or who maintains regular contact with management and the audit committee. The term audit partner will include the lead and concurring partners as well as partners who serve the client at the issuer level, other than a partner who consults with others on the audit engagement team regarding technical or industry-specific issues, and the lead partner on subsidiaries of the issuer whose assets or revenues constitute 20% or more of the consolidated assets or revenues of the issuer.

Partner Rotation

Section 203 of the Sarbanes-Oxley Act specifies that the lead and concurring partner must be subject to rotation requirements after five years. The rules will specify that the lead and concurring partner must rotate after five years and be subject to a five-year "time out" period after rotation. Additionally, certain other significant audit partners will be subject to a seven-year rotation requirement with a two-year time out period.

Compensation

The new rule will provide that an accountant is not independent if, at any point during the audit and professional engagement period, any audit partner earns or receives compensation based on that partner procuring engagements with the audit client to provide any services other than audit, review or attest services.

Cooling Off Period

Section 206 of the Sarbanes-Oxley Act establishes a one-year cooling off period before a member of the audit engagement team may accept employment in certain, designated positions with an issuer. The rules, therefore, will provide that an accounting firm is not independent if a member of management involved in overseeing financial reporting matters was the lead partner, the concurring partner, or any other member of the audit engagement team who provided more than ten hours of audit, review or attest services for the issuer within the one year period preceding the commencement of the audit of the current year's financial statements.

Auditor Communication With Audit Committee

Section 204 of the Sarbanes-Oxley Act directs the Commission to issue rules requiring timely reporting of specific information by accountants to audit committees. In response to the Act, the rules will require the accounting firm to report, prior to the filing of its audit report with the Commission, to the audit committee (1) all critical accounting policies and practices used by the issuer; (2) all material alternative accounting treatments of financial information within GAAP that have been discussed with management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the accounting firm; and (3) other material written communications between the accounting firm and management.

Small Business/Small Firm Considerations

We recognize that some of these provisions may impose an undue burden on certain smaller accounting firms. Accordingly, the rules will provide that firms with fewer than five audit clients and fewer than ten partners may be exempt from the partner rotation and compensation provisions, provided each of these engagements is subject to a special review by the Public Company Accounting Oversight Board at least every three years.

Foreign Considerations

Foreign accounting firms or foreign private issuers may face additional issues in implementing certain rules. Changes to the proposed rule relating to the depth of partner rotation and the scope of personnel subject to the "cooling off" period apply to foreign accounting firms. Moreover, additional time is being afforded to foreign accounting firms with respect to compliance with rotation requirements. The release also provides guidance on the provision of non-audit services by foreign accounting firms, including the treatment of legal services and tax advice. The SEC also stands ready to work with other regulatory bodies on these issues.

These measures will be effective 90 days after their publication in the Federal Register, with appropriate transition periods for various provisions.

The full text of detailed releases concerning each of these items will be posted to the SEC Web site as soon as possible. (Press Rel. 2003-9)

SEC ADOPTS RULES ON DISCLOSURE OF OFF-BALANCE SHEET ARRANGEMENTS AND AGGREGATE CONTRACTUAL OBLIGATIONS

The Commission today voted to adopt amendments to implement the mandate of Section 401(a) of the Sarbanes-Oxley Act of 2002. Section 401(a) added Section 13(j) to the Securities Exchange Act of 1934, which requires the Commission to adopt final rules by Jan. 26, 2003, to require each annual and quarterly financial report required to be filed with the Commission, to disclose "all material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the issuer with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses."

The amendments approved by the Commission will require a registrant to provide an explanation of its off-balance sheet arrangements in a separately captioned subsection of the "Management's Discussion and Analysis" (MD&A) section in its disclosure documents. The amendments also will require registrants (other than small business issuers) to provide an overview of certain known contractual obligations in a tabular format.

The amendments will include a definition of "off-balance sheet arrangements" that primarily targets the means through which companies typically structure off-balance sheet transactions or otherwise incur risks of loss that are not fully transparent to investors. The definition of "off-balance sheet arrangements" will employ concepts in accounting literature in order to define the categories of arrangements with precision. Generally, the definition will include the following categories of contractual arrangements:

* certain guarantee contracts;

* retained or contingent interests in assets transferred to an unconsolidated entity;

* derivative instruments that are classified as equity; or

* material variable interests in unconsolidated entities that conduct certain activities.

The amendments will require disclosure of off-balance sheet arrangements that either have, or are reasonably likely to have, a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors. That disclosure threshold is consistent with the existing disclosure threshold under which information that could have a material effect on financial condition, changes in financial condition or results of operations must be included in MD&A.

The amendments will require disclosure of the following specified information to the extent necessary to an understanding of off-balance sheet arrangements and their material effects:

* the nature and business purpose of the registrant's off-balance sheet arrangements;

* the importance to the registrant for liquidity, capital resources, market risk or credit risk support or other benefits;

* the financial impact and exposure to risk; and

* known events, demands, commitments, trends or uncertainties that implicate the registrant's ability to benefit from its off-balance sheet arrangements.

Consistent with the existing MD&A requirements, the amendments will contain a principles-based requirement that a registrant provide such other information that it believes is necessary for an understanding of its off-balance sheet arrangements and their specified material effects.

In addition, the amendments will include a requirement for registrants to disclose, in a tabular format, the amounts of payments due under specified contractual obligations, aggregated by category of contractual obligation, for specified time periods. The categories of contractual obligations to be included in the table are defined by reference to the applicable accounting literature.

Registrants will be required to comply with the disclosure requirements for off-balance sheet arrangements in Commission filings that are required to include financial statements for the fiscal years ending on or after June 15, 2003. Registrants will be required to comply with the disclosure requirements for the table of contractual obligations in Commission filings that are required to include financial statements for the fiscal years ending on or after Dec. 15, 2003. Registrants could voluntarily comply with the new disclosure requirements before the compliance dates.

The full text of detailed releases concerning each of these items will be posted to the SEC Web site as soon as possible. (Press Rel. 2003-10)

SEC ADOPTS RULES ON RETENTION OF RECORDS RELEVANT TO AUDITS AND REVIEWS

The Commission today approved the adoption of Rule 2-06 of Regulation S-X to implement Section 802 of the Sarbanes-Oxley Act of 2002.

Documents to be retained - Rule 2-06(a) will require that accounting firms retain records relevant to the audits or reviews of issuers' and registered investment companies' financial statements, including workpapers and other documents that form the basis of the audit or review, and memoranda, correspondence, communications, other documents, and records (including electronic records), which are created, sent or received in connection with the audit or review, and contain conclusions, opinions, analyses, or financial data related to the audit or review.

Time of retention - Rule 2-06(a) also will require that records be retained for seven years after the auditor concludes the audit or review of the financial statements, instead of the proposed period of five years from the end of the fiscal period in which an audit or review was concluded. This change will coordinate the Commission's rule with the forthcoming auditing standards from the Public Company Accounting Oversight Board (PCAOB), which will require the retention of audit documentation for seven years.

Workpapers - Rule 2-06(b) will define the term "workpapers" to be those documents that record the audit or review procedures performed, the evidence obtained, and the conclusions reached by the auditor. The definition will recognize that the PCAOB may establish auditing standards further defining the term.

Differences of Opinion - Because the auditing literature requires that records be retained only if they "support" the auditor's report, proposed Rule 2-06(c) stated that records should be retained if they support or "cast doubt" on the final conclusions reached by the auditor. The proposed rule also stated that an example of records that "cast doubt" on an auditor's conclusions would be "documentation of differences of opinion concerning accounting and auditing issues."

Several commenters stated that the proposed "cast doubt" language was unworkable and would lead accounting firms to retain documents related to virtually every exchange of ideas on any topic. In consideration of the comments received, the "cast doubt" language will be replaced with a requirement to keep records that either support the auditor's final conclusions or contain information or data, relating to a significant matter, that is inconsistent with the final conclusions of the auditor on that matter or on the audit or review. Rule 2-06(c) also will state that the documents and records to be retained include, but are not limited to, those documenting consultations on, or resolutions of, differences in professional judgment.

The compliance date for these rules is October 31, 2003.

The full text of detailed releases concerning each of these items will be posted to the SEC Web site as soon as possible. (Press Rel. 2003-11)

ENFORCEMENT PROCEEDINGS

ORDER INSTITUTING CEASE-AND-DESIST PROCEEDING AGAINST JAMES GLAZA

On Jan. 21, the Commission instituted administrative and cease-and-desist proceedings against James F. Glaza (Glaza), a resident of Colorado Springs, Colorado. In the Order Instituting Public Administrative and Cease-And-Desist Proceedings and Notice of Hearing Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (Order), the Division of Enforcement (Division) alleges, among other things, that from August 1999 through May 2000, Glaza offered to sell and sold to the public OnLine Power Supply, Inc. (OnLine) common and preferred stock that was not registered with the Commission and for which no valid exemption from registration was available. The Division further alleges that Glaza made untrue statements to investors through oral statements, offering memoranda and promotional newsletters regarding: (a) compensation he was receiving from OnLine for the sale of OnLine stock; (b) Glaza's ability to purchase OnLine stock at lower prices than those paid by investors in contemporaneous transactions; and (c) OnLine's orders, financial condition, business relationships with third parties, stock price projections, and OnLine's anticipated listing on Nasdaq. Finally, Glaza made untrue statements regarding the risk associated with investments in OnLine stock and facts relating to a loan he made to OnLine, including the use of investor proceeds to repay the loan. As a result, the Division alleges that Glaza violated Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The Division requests that Glaza pay disgorgement plus reasonable interest, pay civil penalties, and be barred from participating in any offering of penny stock.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide Glaza an opportunity to dispute these allegations, and to determine what sanctions, if any, are appropriate and in the public interest. (Rel. 34-47222; File No. 3-11012)

IN THE MATTER OF ANDOVER BROKERAGE, LLC, MICHAEL PICOZZI, III, ELIAS SCHECHTER, AND DAVID DAILY

On Jan. 22, the Commission issued an Order Instituting Public Administrative and Cease-and-Desist Proceedings (Order) pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 (Exchange Act) against Andover Brokerage, LLC (Andover), its president, Michael Picozzi, III (Picozzi), and two of its traders, Elias Schechter (Schechter) and David Daily (Daily) (collectively, the Respondents).

In the Order, the Division of Enforcement (Division) alleges that between May and October 1998, Andover, Schechter and Daily willfully violated Rule 10a-1(a) of the Exchange Act (Short Sale Rule) when Schechter and Daily executed for Andover's proprietary account 202 short sale transactions in New York Stock Exchange listed securities on minus-ticks. The Short Sale Rule prohibits the short sale of a listed security on a minus-tick. In each of these 202 transactions, Andover, Schechter and Daily did not identify these trades as short sales, but rather incorrectly marked them as "long" sales. The Division also alleges that Picozzi failed reasonably to supervise Schechter and Daily within the meaning of Section 15(b)(4) of the Exchange Act. Picozzi instituted an inadequate supervisory system by, among other things, failing to implement procedures reasonably designed to prevent traders from mismarking sell transactions or executing short sale orders on a minus-tick.

The Division alleges that Andover willfully violated Sections 10(a) and 17(a) of the Exchange Act and Rules 10a-1(a), 10a-1(c), 10a-1(d) and 17a-3(a)(6) thereunder, and that Schechter and Daily willfully violated Section 10(a) and Rule 10a-1(a) thereunder and caused Andover's violations of Sections 10(a) and 17(a) of the Exchange Act and Rules 10a-1(c), 10a-1(d), and 17a-3(a)(6) thereunder. The Division seeks remedial sanctions, cease- and-desist orders, disgorgement plus prejudgment interest thereon, and civil penalties.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to afford the Respondents an opportunity to dispute these allegations, and to determine what sanctions, if any, are appropriate and in the public interest. (Rel. 34-47228; File No. 3-11013)

SEC SUES ONLINE POWER SUPPLY, INC. AND TWO FORMER OFFICERS

The Commission announced today that it filed a civil injunctive action against OnLine Power Supply, Inc. (OnLine), headquartered in Englewood, Colorado, its former chief executive officer, Larry G. Arnold (Arnold), and its former president, Kris M. Budinger (Budinger). The Commission's complaint alleges that between June 1996 and May 2000, OnLine, Arnold and Budinger sold $17.7 million of OnLine stock through unregistered transactions. The complaint further alleges that in connection with these stock sales, OnLine, Budinger and Arnold made false and misleading statements or omitted to state material facts to investors concerning, among other things, compensation that OnLine paid to registered representatives, and Budinger and Arnold's misappropriation of some of the proceeds from the sale of 841,000 shares of OnLine treasury stock. According to the complaint, these false and misleading statements were contained in OnLine's periodic reports filed with the Commission and offering materials provided to investors. Moreover, the complaint alleges that OnLine, aided and abetted by Arnold and Budinger, failed to keep accurate books and records.

The Commission's complaint alleges that OnLine violated Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (Securities Act), Sections 10(b), 13(a) and 13(b)(2)(A) of the Securities Exchange Act of 1934 (Exchange Act) and Rules 10b-5, 12b-20, 13a-1 and 13a-13 thereunder. The complaint further alleges that Arnold and Budinger violated Sections 5(a), 5(c), and 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and aided and abetted Online's violations of Sections 13(a) and 13(b)(2)(A) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. The Commission seeks an injunction against OnLine, Arnold and Budinger, as well as an order requiring Arnold and Budinger to pay disgorgement plus prejudgment interest and civil penalties, and imposing officer and director bars and penny stock bars against them. [SEC v. OnLine Power Supply, Inc., Larry G. Arnold and Kris M. Budinger, Civ. Action No. 03-M-0121, USDC Colo.] (LR-17943)

SEC CHARGES 11 INDIVIDUALS AND 2 ENTITIES FOR INSIDER TRADING IN WORTHINGTON FOODS, INC. COMMON STOCK AND OPTIONS

On Jan. 21, the Commission filed three cases with the Federal District Court in Columbus, Ohio, charging eleven individuals and two entities with illegal insider trading in Worthington Foods, Inc. securities before the October 1, 1999, announcement that the Kellogg Company had entered into an agreement to acquire Worthington.

The SEC alleged that in August and September 1999, Roger D. Blackwell, a former director of Worthington and a marketing professor at The Ohio State University, illegally disclosed inside information about Kellogg's proposed acquisition of Worthington to: (1) his father Dale Blackwell, (2) his son Christian Blackwell, (3) his office assistant and close friend Kelley Hughes and her husband Kevin Stacy, (4) his close friend and business associate attorney Arnold Jack, (3) Black-Jack Enterprises, Roger Blackwell's 50/50 investment partnership with Jack, and (6) the

Roger Blackwell and Associates Pension Plan Trust, the pension plan for Roger Blackwell's marketing company. These persons and entities all bought Worthington stock shortly before the merger was announced and made profits of approximately $245,000.

In a separate case, the SEC charged that in August 1999, David W. Maxwell, a former senior executive of Worthington, illegally tipped his barber Elton Jehn about the proposed acquisition. Jehn made approximately $192,000 by buying Worthington stock and options.

Finally, in a third related action, the SEC alleged that in August and September 1999, William D. Parker, a former director of Worthington, disclosed inside information about Kellogg's proposed acquisition of Worthington to: (1) his accountant and brother, Charles N. Parker Sr., and (2) his close friend Danny H. Harris Sr. In that case, the SEC alleged that while William Parker illegally tipped Danny Harris, Charles Parker misappropriated the inside information. Charles Parker and Danny Harris made approximately $107,000 by illegally trading on the inside information.

In settlement, without admitting or denying the allegations, William D. Parker and Danny H. Harris, Sr. have agreed to consent to orders permanently enjoining them from securities fraud violations. Harris also consented to pay a civil penalty of $42,546.90, and to surrender $42,546.90 in trading profits plus $8,977 in prejudgment interest. The cases are pending against the other defendants. [SEC v. Blackwell et al., USDC, S.D. Ohio, Civil Action No. C2-03-0063]; [SEC v. Parker et al., USDC, S.D. Ohio, Civil Action No. C2-03-0065]; [SEC v. Maxwell et al., USDC, S.D. Ohio, Civil Action No. C2-03-0064] (LR-17944)

COURT ENTERS JUDGMENT, ORDERS PENALTIES AGAINST KENTUCKY MAN FOR INTERNET HOAX

On Jan. 13, federal judge James Ware of the Northern District of California granted the Securities and Exchange Commission's motion for default judgment against Ned Sneiderman, enjoining the 25-year-old Louisville resident from committing securities fraud and ordering him to pay a $60,000 civil penalty.

The SEC sued Sneiderman, 25, in January 2002, alleging that Sneiderman had posted a phony press release on a Yahoo! Internet bulletin board. The press release purported to announce that Extreme Networks, Inc. (Extreme Networks), a Santa Clara technology company, was acquiring Viasource Communications, Inc. (Viasource), a small Florida technology company. The phony news caused Viasource's stock price and volume to surge. According to the SEC's complaint, Sneiderman had purchased Viasource stock earlier that morning, and had hoped to profit from the price spike caused by his fraud. However, within an hour after the false posting, Extreme Networks and Viasource denied the existence of a tender offer, and trading in both stocks was halted temporarily, preventing Sneiderman from capitalizing on his fraud.

Sneiderman repeatedly failed to appear before the court. In the Jan. 13, 2003, order, the court found that the SEC's complaint and evidence submitted by the SEC established Sneiderman's liability for securities fraud. The court permanently enjoined Sneiderman from violating Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5 thereunder, and ordered him to pay $60,000 in civil penalties. [SEC v. Ned C. Sneiderman, USDC, NDCA, Civil Action No. C-02-0001] (LR-17945)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGES

A proposed rule change has been filed by Nasdaq Liffe Markets (SR-NQLX-2002-03) elating to final settlement prices for cash-settled security futures products and trading restrictions and suspensions. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47193)

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-2003-03) to waive fees assessed under NASD Rule 7010(s) for new subscribers to Nasdaq PostData. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47209)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

The Options Clearing Corporation filed a proposed rule change (SR-OCC-2002-26), which became effective upon filing under Section 19(b)(3)(A) of the Securities Exchange Act of 1934, relating to the treatment of multiple accounts of the same type. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47194)

The National Securities Clearing Corporation filed a proposed rule change (SR-NSCC-2002-14), which became effective upon filing under Section 19(b)(3)(A) of the Securities Exchange Act of 1934, making a technical correction to NSCC's rules. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47195)

The Options Clearing Corporation filed a proposed rule change (SR-OCC-2002-20), which became effective upon filing under Section 19(b)(3)(A) of the Securities Exchange Act of 1934, allowing OCC to amend OCC's schedule of fees to provide for an alternative, discounted fee schedule for clearing transactions in security futures. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47196)

The National Securities Clearing Corporation filed a proposed rule change (SR-NSCC-2002-13), which became effective upon filing under Section 19(b)(3)(A) of the Securities Exchange Act of 1934, adding services that Data Services Only members of NSCC are permitted to access. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47197)

The Options Clearing Corporation filed a proposed rule change (SR-OCC-2002-24), which became effective upon filing under Section 19(b)(3)(A) of the Securities Exchange Act of 1934, clarifying the regulatory registration requirements for OCC members. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47198)

The Options Clearing Corporation filed a proposed rule change (SR-OCC-2002-25), which became effective upon filing under Section 19(b)(3)(A) of the Securities Exchange Act of 1934, amending the definition of market-maker in OCC's by-laws. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47199)

A proposed rule change and Amendments Nos. 1 and 2 thereto filed by the Chicago Board Options Exchange to allow for limited side-by-side trading and integrated market making for certain securities and their related options (SR-CBOE-2002-63) has become immediately effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47200)

A proposed rule change (SR-PCX-2002-79) filed by the Pacific Exchange to amend its schedule of fees and credits for certain transactions in listed securities on the Archipelago Exchange has become immediately effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47207)

A proposed rule change filed by the National Association of Securities Dealers to extend the pilot period for Nasdaq PostData and the fees assessed under NASD Rule 7010(s) (SR-NASD-2003-02) has become effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47210)

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change (SR-PCX-2002-55) submitted by the Pacific Exchange regarding market maker quoting obligations. Publication of the proposal is expected in the Federal Register during the week of Jan. 20. (Rel. 34-47211)

The Commission approved a proposed rule change filed by the International Securities Exchange (SR-ISE-2002-27), relating to the repeal of limitations on orders, under Section 19(b)(2) of the Securities Exchange Act of 1934. (Rel. 34-47212)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, Address and Phone Number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

Registration statements may be obtained in person or by writing to the Commission's Public Reference Branch at 450 Fifth Street, N.W., Washington, D.C. 20549 or at the following e-mail box address: <publicinfo@sec.gov>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

S-2 V I TECHNOLOGIES INC, 134 COOLIDGE AVE, WATERTOWN, MA, 02472, 5167527314 - 0 ($20,227,151.00) Equity, (File 333-102597 - Jan. 21) (BR. 01)

SB-2 INTEGRATED TECHNOLOGY GROUP, 301 WEST MAIN, STE 500, ARDMORE, OK, 73401, 5802260511 - 4,300,000 ($5,102,000.00) Equity, (File 333-102598 - Jan. 21) (BR. 05)

S-3 METRO-GOLDWYN-MAYER INC, 2500 BROADWAY ST, SANTA MONICA, CA, 90404, 3104493000 - 28,750,000 ($392,437,500.00) Equity, (File 333-102600 - Jan. 21) (BR. 05)

S-8 ASIAINFO HOLDINGS INC, 4/F ZHONGDIAN INFORMATION TOWER 6, ZHONGGUANCUN SOUTH STREET HAIDIAN, BEIJING P R CHINA, F4, 100086, 00861062501658 - 0 ($4,353,040.19) Equity, (File 333-102601 - Jan. 21) (BR. 08)

S-8 LABORATORY CORP OF AMERICA HOLDINGS, 358 S MAIN ST, BURLINGTON, NC, 27215, 3362291127 - 690,116 ($18,384,690.24) Equity, (File 333-102602 - Jan. 21) (BR. 01)

S-3 INTERNATIONAL BUSINESS MACHINES CORP, NEW ORCHARD ROAD, ARMONK, NY, 10504, 9144991900 - 0 ($20,000,000,000.00) Unallocated (Universal) Shelf, (File 333-102603 - Jan. 21) (BR. 03)

S-8 UNITED MICROELECTRONICS CORP, 993 HIGHLAND CIRCLE, LOS ALTOS, CA, 94024, 0118863577 - 23,930,000 ($15,075,900.00) Equity, (File 333-102605 - Jan. 21) (BR. 36)

S-8 LABRANCHE & CO INC, ONE EXCHANGE PLAZA, NEW YORK, NY, 10006-3008, 2128200400 - 0 ($76,860,000.00) Equity, (File 333-102607 - Jan. 21) (BR. 07)

S-8 FAIRCHILD INTERNATIONAL CORP, 595 HORNBY STREET STE 600, VANCOUVER BRITISH COLUMBIA, CANADA V6B 2W5, A1, 00000, 6046691040 - 925,000 ($120,250.00) Equity, (File 333-102608 - Jan. 21) (BR. 09)

S-8 EQUITY RESIDENTIAL, TWO N RIVERSIDE PLZ, STE 400, CHICAGO, IL, 60606, 3124741300 - 0 ($558,026,229.64) Equity, (File 333-102609 - Jan. 21) (BR. 08)

S-3D INVESTORS REAL ESTATE TRUST, 12 S MAIN STREET, SUITE 100, MINOT, ND, 58701, 701-837-4738 - 215,000 ($2,066,150.00) Equity, (File 333-102610 - Jan. 21) (BR. 08)

S-8 SOUND FEDERAL BANCORP, 300 MAMARONECK AVE, MAMARONECK, NY, 10543-2647, 9146986400 - 593,039 ($2,271,231.00) Equity, (File 333-102611 - Jan. 21) (BR. 07)

S-8 WASATCH PHARMACEUTICAL INC, 310 EAST 4500 SOUTH, SUITE 450, MURRY, UT, 84107, 801-266-4668 - 500,000 ($87,500.00) Equity, (File 333-102612 - Jan. 21) (BR. 02)

SB-2 G2 COMPANIES INC, 14110 N. DALLAS PARKWAY, SUITE 365, DALLAS, TX, 75254, 972-726-9203 - 375,100 ($18,755.00) Debt Convertible into Equity, (File 333-102613 - Jan. 21) (BR. 09)

S-8 2U ONLINE COM INC, 1288 ALBERNI ST STE 806, VANCOUVER BRITISH COLUMBIACANADAV6E4N5, BELLINGHAM, A2, 98226, 6046640484 - 7,000,000 ($490,000.00) Equity, (File 333-102614 - Jan. 21) (BR. 09)

S-8 VISTACARE INC, 8125 N HAYDEN ROAD, SUITE 300, SCOTTSDALE, AZ, 85258, 4806484545 - 3,700,000 ($63,455,000.00) Equity, (File 333-102615 - Jan. 21) (BR. 01)

S-8 DSE FISHMAN INC, 501 MANATEE AVE, STE B, HOLMES BEACH, FL, 34217, 9417792243 - 1,500,000 ($15,000.00) Equity, (File 333-102617 - Jan. 21) (BR. 08)

S-8 SURETY HOLDINGS CORP, 850 FT PLAINS RD, PO BOX 249, HOWELL, NJ, 07731, 7328860706 - 15,000 ($87,750.00) Equity, (File 333-102618 - Jan. 21) (BR. 08)

S-8 CONNETICS CORP, 3400 W BAYSHORE RD, PALO ALTO, CA, 94303, 4158432800 - 0 ($14,246,364.62) Equity, (File 333-102619 - Jan. 21) (BR. 01)

S-3 ENDOCARDIAL SOLUTIONS INC, 1350 ENERGY LANE, STE 110, ST PAUL, MN, 55108, 6126447890 - 0 ($9,803,160.00) Equity, (File 333-102620 - Jan. 21) (BR. 36)

S-8 P D C INNOVATIVE INDUSTRIES INC, 3701 NW 126TH AVE., CORPORATE PARK, BAY 5, CORAL SPRINGS, FL, 33065, (954) 341- - 1,100,000 ($33,000.00) Equity, (File 333-102621 - Jan. 21) (BR. 09)

S-8 APOGENT TECHNOLOGIES INC, 411 E WISCONSIN AVE 24TH FLR, MILWAUKEE, WI, 53202, 4142746600 - 0 ($145,590,436.00) Equity, (File 333-102622 - Jan. 21) (BR. 36)

S-8 CISCO SYSTEMS INC, 170 WEST TASMAN DR, SAN JOSE, CA, 95134-1706, 4085264000 - 0 ($1,031,233.28) Equity, (File 333-102623 - Jan. 21) (BR. 03)

N-2 NICHOLAS APPLEGATE CONVERTIBLE & INCOME FUND, 1,000 ($15,000.00) Equity, (File 333-102624 - Jan. 21) (BR.)

S-8 SHARPS COMPLIANCE CORP, 9050 KIRBY DRIVE, STE 350, HOUSTON, TX, 77054, 713-432-0300 - 0 ($3,900,000.00) Equity, (File 333-102626 - Jan. 21) (BR. 36)

S-8 PLAINS EXPLORATION & PRODUCTION CO, 500 DALLAS STREET, SUITE 700, HOUSTON, TX, 77002, 7137396740 - 0 ($7,053,850.00) Equity, (File 333-102627 - Jan. 21) (BR. 04)

SB-2 CCP WORLDWIDE INC, 6040-A SIX FORKS RD, SUITE 179, RALEIGH, NC, 27609, 9198720401 - 1,995,000 ($199,500.00) Equity, (File 333-102629 - Jan. 21) (BR.)

S-3 GRANT PRIDECO INC, 1450 LAKE ROBBINS DRIVE, SUITE 600, THE WOODLANDS, TX, 77038, 2812978500 - 9,731,834 ($101,211,073.60) Equity, (File 333-102630 - Jan. 21) (BR. 04)

S-4 LAMAR MEDIA CORP/DE, 5551 CORPORATE BLVD, BATON ROUGE, LA, 70808, 5049261000 - 0 ($260,000,000.00) Non-Convertible Debt, (File 333-102634 - Jan. 21) (BR. 02)

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

Item 1. Changes in Control of Registrant.
Item 2. Acquisition or Disposition of Assets.
Item 3. Bankruptcy or Receivership.
Item 4. Changes in Registrant's Certifying Accountant.
Item 5. Other Materially Important Events.
Item 6. Resignations of Registrant's Directors.
Item 7. Financial Statements and Exhibits.
Item 8. Change in Fiscal Year.
Item 9. Regulation FD Disclosure.

The following companies have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. 8-K reports may be obtained in person or by writing to the Commission's Public Reference Branch at 450 Fifth Street, N.W., Washington, D.C. 20549 or at the following e-mail box address: <publicinfo@sec.gov>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

	STATE	8K ITEM NO.										
NAME OF ISSUER	CODE	1	2	3	4	5	6	7	8	9	DATE	COMMENT
3 D SYSTEMS CORP	DE					X		X			01/14/03	
ABFC ASSET BACKED CERTIFICATES SERIES	DE					X		X			12/26/02	
ABFS MORT LOAN TRUST 2002-4 MORT PASS	DE					X		X			01/15/03	
ABFS MORTGAGE LOAN TRUST 2001-4 MORT-	DE					X		X			01/15/03	
ABFS MORTGAGE LOAN TRUST 2002-1 MTG P						X		X			01/15/03	
ABFS MORTGAGE LOAN TRUST 2002-2 MTG P						X		X			01/15/03	
ACE CASH EXPRESS INC/TX	TX					X		X			01/03/03	
ADELPHIA COMMUNICATIONS CORP	DE									X	01/17/03	
ADVANCED MICRO DEVICES INC	DE					X		X			01/16/03	
ADVANTA BUSINESS RECIEVABLES CORP								X			01/21/03	
AK STEEL HOLDING CORP	DE					X		X			01/20/03	
ALCAN INC	A6					X		X			01/17/03	
AMERICAN IR TECHNOLOGIES INC	NV				X						09/30/02	AMEND
AMERIQUEST MORTGAGE SECURITIES INC	DE							X			01/17/03	
AMR CORP	DE									X	01/21/03	
ARCADIA RECEIVABLES FINANCE CORP	DE					X					01/15/03	
ARCADIA RECEIVABLES FINANCE CORP	DE					X					01/15/03	
ARCADIA RECEIVABLES FINANCE CORP	DE					X					01/15/03	

ARCADIA RECEIVABLES FINANCE CORP	DE			X			01/15/03	
ARCADIA RECEIVABLES FINANCE CORP	DE			X			01/15/03	
ARCADIA RECEIVABLES FINANCE CORP	DE			X			01/15/03	
ARCADIA RECEIVABLES FINANCE CORP	DE			X			01/15/03	
ARCADIA RECEIVABLES FINANCE CORP	DE			X			01/15/03	
ARCADIA RECEIVABLES FINANCE CORP	DE			X			01/15/03	
ARENA PHARMACEUTICALS INC	DE			X	X		01/17/03	
ARROW ELECTRONICS INC	NY			X			01/14/03	
ATHEROGENICS INC	GA			X			01/21/03	
ATLAS AIR INC	DE			X			01/13/03	
ATLAS AIR WORLDWIDE HOLDINGS INC	DE			X			01/13/03	
AVATEX CORP	DE		X		X	X	01/21/03	
AXCELIS TECHNOLOGIES INC	DE					X	01/06/03	
BANK ONE CORP	DE			X	X		01/16/03	
BARNES GROUP INC	DE			X	X		01/16/03	
BAYCORP HOLDINGS LTD AMEND	DE	X			X		11/01/02	
BEAR STEARNS ASSET BACKED FUND INC WH	DE			X	X		01/15/03	
BECKMAN COULTER INC	DE				X	X	01/20/03	
BIOTIME INC	CA		X		X		01/14/03	
BORLAND SOFTWARE CORP	DE	X			X		12/23/03	AMEND
C COR NET CORP	PA				X	X	01/16/03	
CALYPTE BIOMEDICAL CORP	DE			X	X		01/14/03	
CALYPTE BIOMEDICAL CORP	DE			X	X		12/23/02	AMEND
CAMINUS CORP	DE			X	X		01/20/03	
CARDINAL FINANCIAL CORP	VA			X	X		01/21/03	
CARE CONCEPTS INC	DE		X		X		01/15/03	AMEND
CARE CONCEPTS INC	DE		X		X		01/15/03	AMEND
CASELLA WASTE SYSTEMS INC	DE			X	X		01/21/03	
CELLULAR TECHNICAL SERVICES CO INC	DE	X			X		01/07/03	

CENTEX CONSTRUCTION PRODUCTS INC	DE			X	X	01/21/03
CHAMPION ENTERPRISES INC	MI		X	X		01/21/03
CHUBB CORP	NJ		X	X		01/09/03
CITGO PETROLEUM CORP	DE		X			01/21/03
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITICORP MORTGAGE SECURITIES INC	DE		X			09/25/02
CITIZENS BANKING CORP	MI		X	X	X	01/16/03
CITIZENS COMMUNICATIONS CO	DE		X	X		01/21/03
CLOROX CO /DE/	DE	X				01/15/03
CNB FINANCIAL CORP/PA	PA		X	X		01/16/03
COACHMEN INDUSTRIES INC	IN			X	X	01/20/03
COBIZ INC	CO			X	X	01/16/03
CODORUS VALLEY BANCORP INC	PA		X	X		01/21/03
COMMUNITY BANKS INC /PA/	PA			X		12/31/02
CONSECO FINANCE CORP	DE		X	X		01/17/03
CONSECO FINANCE CORP	DE		X	X		01/17/03
CONSECO FINANCE CORP	DE		X	X		01/17/03
CONSTELLATION BRANDS INC	DE		X	X		01/21/03
CONSUMERS FINANCIAL CORP	PA		X			01/09/03
CORTEX SYSTEMS INC	NV		X			01/21/03
COX TECHNOLOGIES INC	NC		X	X		01/20/03
CREDIT SUISSE FIRST BOSTON MORTGAGE S	DE		X			01/21/03
CSFB MORTGAGE PASS THROUGH CERTIFICAT	DE		X	X		12/26/02

CSFB MORTGAGE SEC CORP ABFS MORT LN	DE					X		X			01/15/03	
CV THERAPEUTICS INC	DE					X		X			01/17/03	
DELTAGEN INC	DE					X		X			01/21/03	
DILLARD ASSET FUNDING CO	DE					X		X			12/16/02	
DUANE READE INC	DE					X		X			01/21/03	
DYNAMIC HEALTH PRODUCTS INC	FL							X			01/21/03	AMEND
EATON CORP	OH					X					01/21/03	
EL PASO ELECTRIC CO /TX/	TX					X					01/21/03	
ENERGIZER HOLDINGS INC	MO	X									01/21/03	
ETHYL CORP	VA					X		X			01/21/03	
EWORLDMEDIA HOLDINGS INC	NV	X	X			X					01/06/03	
EXTEN INDUSTRIES INC	DE				X						01/17/03	
FAIRCHILD SEMICONDUCTOR INTERNATIONAL	DE					X		X			01/17/03	
FAIRPOINT COMMUNICATIONS INC	DE							X		X	01/21/03	
FAO INC	CA					X		X			01/17/03	
FAO INC	CA							X			01/14/03	
FEDERATED DEPARTMENT STORES INC /DE/	DE									X	01/21/03	
FENTURA FINANCIAL INC	MI									X	01/20/03	
FINANCIAL ASSET SECS CORP FIRST FRANK	DE		X					X			01/21/03	
FIRSTENERGY CORP	OH					X					01/20/03	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			09/28/01	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			02/28/02	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			03/28/02	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			04/30/02	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			05/31/02	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			06/28/02	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			07/30/02	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			09/30/02	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			10/30/02	
FLEET MORTGAGE CERTIFICATE TRUST 2001	NY					X		X			11/29/02	

FLEET MORTGAGE CERTIFICATE TRUST 2001	NY				X	X		12/31/02	
FLEETWOOD ENTERPRISES INC/DE/	DE				X	X		01/10/03	
FLIGHT SAFETY TECHNOLOGIES INC	NV						X	01/16/03	
FOREST OIL CORP	NY				X	X		01/15/03	
FORWARD INDUSTRIES INC	NY					X	X	01/22/03	
GAP INC	DE				X	X		01/18/03	
GARUDA CAPITAL CORP	NV					X		06/14/03	AMEND
GEORGIA PACIFIC CORP	GA				X	X		01/21/03	
GRAND CENTRAL FINANCIAL CORP	DE				X	X		01/16/03	
GRANT PRIDECO INC	DE		X		X	X		12/20/02	AMEND
GREENLAND CORP	NV	X						01/21/03	
HALLIBURTON CO	DE						X	01/17/03	
HARRIS CORP /DE/	DE				X	X		01/20/03	
HAWAIIAN ELECTRIC INDUSTRIES INC	HI				X			01/20/03	
HEALTHCARE REALTY TRUST INC	MD					X	X	01/21/03	
HERBST GAMING INC	NV				X	X		01/16/03	
HEWLETT PACKARD CO	DE				X	X		01/21/03	
HOOVERS INC	DE				X	X		01/14/03	
HOSOI GARDEN MORTUARY INC	HI		X					11/06/02	AMEND
HOSPITALITY PROPERTIES TRUST	MD				X	X		01/16/03	
HOUSEHOLD FINANCE CORP	DE				X	X		01/20/03	
HOUSEHOLD INTERNATIONAL INC	DE						X	01/21/03	
HYSEQ INC	NV				X	X		01/21/03	
I TRACK INC	NV			X				12/19/02	
IASIS HEALTHCARE CORP	DE					X	X	01/21/03	
IBERIABANK CORP	LA					X	X	01/21/03	
IMPROVENET INC	DE			X		X		01/13/03	
INDIAN RIVER BANKING COMPANY	FL				X	X		01/21/03	
INDIGINET INC/FL	FL				X			12/31/02	
INET TECHNOLOGIES INC	DE		X			X		01/21/03	

INNOVATIVE CLINICAL SOLUTIONS LTD	DE		X			01/21/03	
INSIGHTFUL CORP	DE		X	X		01/17/03	
INTEGRATED PERFORMANCE SYSTEMS INC	NY	X				01/13/03	
INTERCEPT INC	GA			X	X	01/09/03	
INTERNATIONAL TOTAL SERVICES INC	OH		X	X		01/10/03	
INTERPOOL INC	DE		X	X		12/26/02	
JAMESON INNS INC	GA			X	X	01/21/03	
KCS ENERGY INC	DE		X	X		01/14/03	
KINDER MORGAN ENERGY PARTNERS L P	DE				X	01/21/03	
KINDER MORGAN INC	KS				X	01/21/03	
KINDER MORGAN MANAGEMENT LLC	DE				X	01/21/03	
LABRANCHE & CO INC	DE		X	X		01/17/03	
LAZARUS INDUSTRIES INC	UT		X	X		01/15/03	
LOCKWAVE TECHNOLOGIES INC	NV	X		X		01/13/03	
LOEWS CORP	DE		X	X		01/21/03	
LTV CORP	DE		X	X		01/21/03	
LUCAS EDUCATIONAL SYSTEMS INC	DE			X		11/06/02	AMEND
MACKIE DESIGNS INC	WA		X	X		01/16/03	
MACREPORT NET INC	DE	X		X		01/13/03	AMEND
MANUFACTURED HOUSING CONT SEN/SUB PAS	TN		X			12/25/02	
MARTIN MIDSTREAM PARTNERS LP	DE			X	X	01/20/03	
MAVERICK TUBE CORPORATION	DE		X		X	01/21/03	
MCK COMMUNICATIONS INC	DE		X	X		01/21/03	
MEDICAL STAFFING NETWORK HOLDINGS INC	DE			X		11/22/02	AMEND
METRO-GOLDWYN-MAYER INC	DE		X			01/21/03	
MID AMERICA APARTMENT COMMUNITIES INC	TN		X			01/20/03	
MINERALS TECHNOLOGIES INC	DE				X	01/15/03	
MOBILITY ELECTRONICS INC	DE		X	X		01/14/03	
MONROE BANCORP	IN			X	X	01/21/03	
MORTGAGE ASSET SECURITIZATION TRANSAC	DE		X	X		01/21/03	

MULLER MEDIA INC	NV		X		X		01/21/03	
NESCO INDUSTRIES INC	NV			X			01/15/03	
NEW CENTURY HOME EQUITY LOAN TRUST SE	DE			X	X		12/25/02	
NOMADIC COLLABORATION INTERNATIONAL I	NV			X			01/10/03	
NORTHEAST INDIANA BANCORP INC	DE			X	X		01/20/03	
NORTHWEST BANCORP INC	PA			X	X		01/21/03	
ONEOK INC /NEW/	OK			X	X		01/17/03	
ONYX ACCEPTANCE OWNER TRUST 2002-A	DE			X			12/31/02	
ONYX ACCEPTANCE OWNER TRUST 2002-B	DE			X			12/31/02	
ONYX ACCEPTANCE OWNER TRUST 2002-C	DE			X			12/31/02	
ONYX ACCEPTANCE OWNER TRUST 2002-D	DE			X			12/31/02	
OPTION ONE MORTGAGE ACCEPTANCE CORP	DE				X		01/15/03	
OPTION ONE MORTGAGE ACCEPTANCE CORP	DE			X	X		01/14/03	
PACKAGED ICE INC	TX			X	X		01/21/03	
PDV AMERICA INC	DE			X			01/21/03	
PEOPLES BANCORP INC	OH			X			12/31/02	
PEOPLES BANK CREDIT CARD MASTER TRUST	CT			X	X		12/31/02	
PERFICIENT INC	DE			X			01/17/03	
PHARMACEUTICAL FORMULATIONS INC	DE			X			01/21/03	
PHOTOGEN TECHNOLOGIES INC	NV			X			01/02/03	
PMA CAPITAL CORP	PA			X	X	X	01/20/03	
POLAROID CORP	DE			X	X		01/15/03	
PREMIER BANCORP INC /PA/	PA			X	X		01/16/03	
PREMIER CLASSIC ART INC	DE		X		X		11/06/02	AMEND
PRIVATEBANCORP INC	DE			X	X		01/21/03	
REGENERON PHARMACEUTICALS INC	NY			X	X		01/07/03	
REINK CORP		X					01/17/03	
RESIDENTIAL ACCREDIT LOANS INC	DE			X	X		12/30/02	
RESIDENTIAL FUNDING MORTGAGE SECURITI	DE			X	X		01/21/03	
RESONATE INC	DE			X	X		01/14/03	

RESOURCES ACCRUED MORTGAGE INVESTORS	DE	X				X		X			01/06/03	AMEND
RICA FOODS INC	NV					X					01/13/03	
RSTAR CORP	DE					X		X			01/14/03	
RURBAN FINANCIAL CORP	OH					X		X			01/16/03	
S&T BANCORP INC	PA					X					01/20/03	
SATCON TECHNOLOGY CORP	DE					X		X			01/17/03	
SCHERING PLOUGH CORP	NJ							X		X	01/17/03	
SCOTIA PACIFIC CO LLC	DE									X	01/21/03	
SEGWAY IV CORP	NJ	X									12/18/02	
SFBC INTERNATIONAL INC	DE		X					X			09/06/02	AMEND
SHIRE PHARMACEUTICALS GROUP PLC						X		X			01/21/03	
STATE STREET CORP	MA					X		X			01/21/03	
STRUCTURED ASSET MORT INV INC BEAR ST	DE							X			12/30/02	AMEND
STURGIS BANCORP INC	MI					X		X			01/16/03	
SUSQUEHANNA BANCSHARES INC	PA					X		X			01/21/03	
SYNTHETIC TURF CORP OF AMERICA	NV		X					X			12/27/02	
TAITRON COMPONENTS INC	CA					X		X			01/21/03	
TALK AMERICA	DE					X		X			12/17/03	
TEPPCO PARTNERS LP	DE					X		X			01/16/03	
TEXAS REGIONAL BANCSHARES INC	TX					X		X			01/21/03	
TIDEWATER INC	DE									X	01/21/03	
TMSF HOLDINGS INC	UT							X			11/04/02	AMEND
TOYS R US INC	DE					X					01/21/03	
TRANSWITCH CORP /DE	DE					X		X			01/16/03	
TRIARC COMPANIES INC	DE							X			01/21/03	
TROY GROUP INC	DE				X						01/13/03	
TRUSTCO BANK CORP N Y	NY					X					01/21/03	
TRUSTMARK CORP	MS					X		X			01/21/03	
UNITED BANKSHARES INC/WV	WV					X		X			01/21/03	
US MICROBICS INC	CO				X			X			01/17/03	

USA INTERACTIVE	DE	X			X	01/17/03	
V FORMATION INC/NJ/	NJ		X		X	12/09/02	AMEND
VALLEY FINANCIAL CORP /VA/	VA			X		01/21/03	
VANDERBILT MORT & FIN INC SENIOR SUB	TN			X		12/25/02	
VANDERBILT MORT & FIN INC SENIOR SUB	TN			X		12/25/02	
VANDERBILT MORTGAGE & FIN INC SEN SUB	TN			X		12/25/02	
VARIAGENICS INC	DE			X	X	01/21/03	
VERITEC INC	NV			X		01/21/03	
VIAD CORP	DE			X	X	01/17/03	
VINEYARD NATIONAL BANCORP	CA			X	X	01/21/03	
VINEYARD NATIONAL BANCORP	CA			X		01/21/03	
VINTAGE PETROLEUM INC	DE			X	X	01/21/03	
VION PHARMACEUTICALS INC	DE			X	X	01/21/03	
VISCOUNT SYSTEMS INC	NV		X			01/21/03	
VITA FOOD PRODUCTS INC	NV				X	11/06/02	AMEND
VOICENET INC	DE			X		01/07/03	
VOLKSWAGEN AUTO LEASE UNDERWRITTEN FU				X	X	01/21/03	
WACHOVIA COMMERCIAL MORTGAGE SECURITI	NC			X	X	01/17/03	
WASHINGTON MUTUAL MORTGAGE SECURITIES	DE				X	01/16/03	
WASTE CONNECTIONS INC/DE	DE			X		01/20/03	
WELLCHOICE INC	DE			X	X	01/16/03	
WELLS FARGO & CO/MN	DE			X	X	01/21/03	
WORLD DIAGNOSTICS INC	DE			X	X	01/15/03	
XDOGS COM INC	CO			X		01/13/03	
ZENITH NATIONAL INSURANCE CORP	DE			X	X	01/20/03	