

Investment Protection Standards Certification

I. Separation of Research and Investment Banking

- I.1. Reporting Lines. Research and Investment Banking will be separate units with entirely separate reporting lines within the firm – i.e., Research will not report directly or indirectly to or through Investment Banking. For these purposes, the head of Research may report to or through a person or persons to whom the head of Investment Banking also reports, provided that such person or persons have no direct responsibility for Investment Banking or investment banking activities.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

I.2. Legal/Compliance. Research will have its own dedicated legal and compliance staff, who may be a part of the firm's overall compliance/legal infrastructure.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

- I.3. Budget. Beginning with the firm's next fiscal year and thereafter, Research budget and allocation of Research expenses will be determined by the firm's senior management (e.g., CEO/Chairman/management committee, other than Investment Banking personnel) without input from Investment Banking and without regard to specific revenues or results derived from Investment Banking, though revenues and results of the firm as a whole may be considered in determining Research budget and allocation of Research expenses. On an annual basis thereafter, the Audit Committee of the firm's holding/parent company (or comparable independent persons/group without management responsibilities) will review the budgeting and expense allocation process with respect to Research to ensure compliance with this requirement.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

I.4. Physical Separation. Research and Investment Banking will be physically separated. Such physical separation will be reasonably designed to prevent the intentional and unintentional flow of information between Research and Investment Banking.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

I.5.a-f. Compensation. Compensation of professional Research personnel will be determined exclusively by Research management and the firm's senior management (but not including Investment Banking personnel) using the principles listed on Page 3, Section I.5.a-f, of the Investment Protection Standards.

On an annual basis, the Compensation Committee of the firm's holding/parent company (or comparable independent persons/group without management responsibilities) will review the compensation process for Research personnel. Such review will be reasonably designed to ensure that compensation decisions have been made in a manner that is consistent with these requirements.

Please describe, in detail, how your organization will establish a review of the compensation process for Research personnel. Use additional pages if necessary.

Is this review reasonably designed to ensure that compensation decisions have been made in a manner that is consistent with the requirements listed in Section I.5.a-f? If the answer to this question is yes, please describe in detail how and your firm intends to ensure compliance with this Standard.

Please attach the relevant provisions of the specific organizational policy that applies to this Standard.

I.6. Evaluations. Evaluations of Research personnel will not be done by, nor will there be input from, Investment Banking personnel.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

- I.7. Coverage. Investment Banking will have no input into company-specific coverage decisions (i.e., whether or not to initiate or terminate coverage of a particular company in research reports furnished by the firm), and investment banking revenues or potential revenues will not be taken into account in making company-specific coverage decisions; provided, however, that this requirement does not apply to category-by-category coverage decisions (e.g., a given industry sector, all issuers underwritten by the firm, companies meeting a certain market cap threshold).

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

- I.8. Termination of Coverage. When a decision is made to terminate coverage of a particular company in the firm's research reports (whether as a result of a company-specific or category-by-category decision), the firm will make available a final research report on the company using the means of dissemination equivalent to those it ordinarily uses; provided, however, that no final report is required for any company as to which the firm's prior coverage has been limited to purely quantitative analysis. Such report will be comparable to prior reports, unless it is impracticable for the firm to produce a comparable report (e.g., if the analyst covering the company and/or sector has left the firm). In any event, the final research report must disclose: the firm's termination of coverage; and the rationale for the decision to terminate coverage.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

- I.9. Prohibition on Soliciting Investment Banking Business. Research is prohibited from participating in efforts to solicit investment-banking business. Accordingly, Research may not, among other things, participate in any “pitches” for investment banking business to prospective investment banking clients, or have other communications with companies for the purpose of soliciting investment-banking business.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

- I.10. Firewalls Between Research and Investment Banking. So as to reduce further the potential for conflicts of interest or the appearance of conflicts of interest, the firm must create and enforce firewalls between Research and Investment Banking reasonably designed to prohibit all communications between the two areas.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

I.11. Additional Restrictions on Activities By Research and Investment Banking Personnel.

- a. Research personnel are prohibited from participating in company – or Investment Banking – sponsored road shows related to a public offering or other investment banking transaction.
- b. Investment Banking personnel are prohibited from directing Research personnel to engage in marketing or selling efforts to investors with respect to an investment banking transaction.

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

I.12. Oversight. An oversight/monitoring committee or committees, which will be comprised of representatives of Research management and may include others (but not personnel from Investment Banking), will be created to comply with Section I, paragraph 12, a through c.

Please describe, with specificity, the oversight committee of your firm including how the committee is selected and when your firm will establish a policy to ensure compliance with this standard. Use additional pages if necessary.

Please provide specific information about how your organization will enforce compliance with the standards included in Section I.12.a-c.

Please attach the relevant provisions of the specific organizational policy that applies to this Standard.

II. Disclosure/Transparency and Other Issues

- II.1. Disclosures. In addition to other disclosures required by rule, the firm must disclose prominently on the first page of any research report and any summary or listing of recommendations or ratings contained in previously-issued research reports, in type no smaller than the type used for the text of the report or summary or listing, that:

“[Firm] does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report.”

“Investors should consider this report as only a single factor in making their investment decision.”

Please describe below, with specificity, how the firm will timely comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.

II.2. Transparency of Analysts' Performance. The firm will make publicly available (via its website, in a downloadable format), no later than 90 days after the conclusion of each quarter, the following information, if such information is included in any research report (other than any research report limited to purely quantitative analysis) prepared and furnished by the firm during the prior quarter: subject company, name(s) of analysts(s) responsible for certification of the report pursuant to Regulation AC, date of report, rating, price target, period within which the price target is to be achieved, earnings per share forecast(s), period(s) for which such forecast(s) are applicable (e.g., 3Q03, FY04, etc.), and definition/explanation of ratings used by the firm.

Please describe, in detail, whether or not your organization is currently complying with this Standard. Use additional pages if necessary.

If you are currently complying with this Standard, list the URL for the website that includes this information.

If you are not currently complying with this Standard, state when the firm will be in compliance.

Please attach the relevant provisions of the specific organizational policy that applies to this Standard.

II.3. General.

- a. The firm may not knowingly do indirectly that which it cannot do directly under these Standards.
- b. The firm will adopt and implement policies and procedures reasonably designed to ensure that its associated persons (including but not limited to the firm's Investment Banking personnel) cannot and do not seek to influence the contents of a research report or the activities of Research personnel for purposes of obtaining or retaining investment banking business. The firm will adopt and implement procedures instructing firm personnel to report immediately to a member of the firm's legal or compliance staff any attempt to influence the contents of a research report or the activities of Research personnel for such a purpose.

Please describe below, with specificity, how the firm will meet or comply with this Standard. Use additional pages if necessary. Attach the relevant provisions of the specific firm policy that applies to this Standard.