

Client Advisory

July 2002

SEC Orders CEOs and CFOs of 947 Largest U.S. Public Companies to Personally Certify the Accuracy of Their Periodic SEC Filings

The Securities and Exchange Commission (the "SEC") on June 27, 2002, issued Order No. 4-460 (the "Order"), requiring the principal executive and financial officers of publicly traded U.S. companies with revenues during the last fiscal year of greater than \$1.2 billion to personally certify in separate written statements, under oath and for publication, that their most recent reports filed with the SEC pursuant to the Securities Exchange Act of 1934 (the "Exchange Act"), are both complete and accurate. A list of the 947 companies subject to the order has been posted on the SEC's Web site at <http://www.sec.gov/rules/other/4-460list.htm>.

The SEC intends that the Order will help assure the investing public and the SEC that the corporate disclosure in reports filed by the subject companies is in compliance with the federal securities laws, or will provide information quickly about those companies where that is not the case.

You can access the Order at the SEC's Web site at <http://www.sec.gov/rules/other/4-460.htm> and frequently asked questions about the Order at <http://www.sec.gov/rules/other/4-460faqs.htm>. The Order followed by only two weeks an SEC proposal that would require similar certifications be made by CEOs and CFOs of all companies that file Exchange Act Reports.

Requirements of the Order

The Order requires the principal executive officer and principal financial officer of the subject companies, not the companies themselves, to either:

1. Each separately file a sworn written statement, in the form posted on the SEC's Web site at <http://www.sec.gov/rules/other/4-460a.htm>, to the effect that their company's most recent reports filed with the SEC pursuant to the Exchange Act are materially truthful and complete, or
2. Each separately file a sworn written statement explaining why their company's most recent reports filed with the SEC pursuant to the Exchange Act are not materially truthful and complete.

In either case such written statement must further declare in writing, under oath, whether or not the contents of that statement have been reviewed with the company's audit committee (or, in the absence of an audit committee, the independent members of the company's board of directors). Officers who deliver false written statements will be subject to personal liability.

Reports Subject to the Order

Each written statement will apply to:

1. The company's most recent Form 10-K filed with the SEC.

2. Any of the following that were filed with the SEC after the filing of the company's most recent Form 10-K:
 - reports on Form 10-Q,
 - reports on Form 8-K, and
 - definitive proxy materials.
3. Any amendments to any of the periodic reports, current reports or proxy materials identified in number 1 or 2 above.

Deadline for Complying with the Order

The written statements must be filed with the SEC no later than the SEC's close of business on the first date that the subject companies would be required to file a Form 10-K or Form 10-Q with the SEC on or after August 14, 2002. For companies with a calendar fiscal year that file their Form 10-Q for the quarter ended June 30, 2002 before the August 14, 2002 deadline, the written statements should be filed at the same time the Form 10-Q is filed.

In the event a company properly files a Form 12b-25 (notification of late filing) to extend the due date for its first Form 10-K or Form 10-Q due on or after August 14, 2002, then the due date for the written statement will be the same as the extended due date for such Form 10-K or Form 10-Q.

The written statements are not to be filed on the EDGAR system and are to be delivered in written form to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, DC, 20549-0609. The SEC has indicated that it will make these written statements public on its Web site.

We Can Help

Although the SEC's Order does not require that any particular procedures be performed, CEOs and CFOs should discuss with legal counsel what, if any, additional steps should be taken to support their certifications. Please direct questions regarding this Client Advisory to the co-chairs of Katten Muchin Zavis Rosenman's Securities Practice:

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