

Frederic W. Cook & Co., Inc.

New York • Chicago • Los Angeles

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**SEC ADOPTS RULES ON ACCELERATED FILING
DEADLINES FOR QUARTERLY AND ANNUAL REPORTS**

Summary

On August 27, 2002, the Securities and Exchange Commission adopted rules which will require companies to provide investors with quarterly and annual reports on an accelerated basis.

Background

In our April 2002 letter¹, we outlined the SEC's proposed rule which would accelerate quarterly and annual reports for domestic companies meeting specific size and time element criteria. The premise behind the proposal was to provide investors and the market with access to relevant information that is clear, concise and timely. The new rules are slightly more liberal in their phase-in relative to the original proposal.

Accelerated Filing Deadlines for Periodic and Annual Reports

The following companies are subject to the new accelerated filing deadlines:

- Domestic reporting companies that have a public float² equal to or exceeding \$75 million,
- Have been reporting for at least 12 months,
- Have previously filed at least one annual report, and
- Are not eligible to use the Commission's special forms for small business issuers.

The filing deadlines will be phased in over a three-year period with no changes occurring in the first year. This transition period allows companies to gradually adjust to the new accelerated filing deadlines. The table below outlines the new changes:

	Quarterly Reports on Form 10-Q	Annual Reports on Form 10-K
First Year (Current Rule)	45 Days	90 Days
Second Year	40 Days	75 Days
Third Year and Thereafter	35 Days	60 Days

¹ "SEC Proposals Accelerate Periodic Filing Dates and Highlight Certain Management Transactions," April 23, 2002.

² As defined by the SEC, a public float is the aggregate market value of a company's outstanding voting and non-voting common equity minus the value of common equity held by affiliates of the company.

- Note that the first changes will occur for accelerated filers with fiscal year-ends ending on or after December 15, 2003

Website Access to Information

Companies subject to the acceleration rules discussed above will also be required to disclose in their annual reports on Form 10-K whether they provide Internet access via a company website to their reports on Forms 10-K, 10-Q and 8-K, free of charge, and make this information available as soon as reasonably practicable after filing such material with the Commission.

Compliance with this new website disclosure on Form 10-K will be required for all accelerated filers beginning with reports for fiscal years ending on or after December 15, 2002.

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General questions about this letter can be addressed to Louis C. Taormina in our New York office at 212-986-6330 or by e-mail at lctaormina@fwcook.com. Specific questions about the applicability of the new rules to a particular company's situation should be addressed to corporate counsel. Copies of this letter and published materials are available on our website at www.fwcook.com.