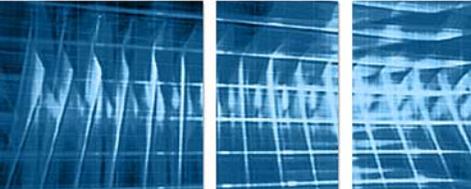


SEC UPDATE



SEC Proposes Major Changes to Executive Compensation Disclosure Requirements

On January 17, 2006, the SEC voted to approve proposals that would amend disclosure requirements for executive and director compensation, related party transactions, director independence and other corporate governance matters, and security ownership of officers and directors. The proposals would affect disclosure in proxy statements, annual reports and registration statements and modify the current reporting requirements of Form 8-K regarding compensation arrangements. The proposals would also require most disclosures to be written in plain English. The related press release, which describes in some detail the content of the proposals, is available on the SEC's web site: <http://www.sec.gov/news/press/2006-10.htm>. Paul Weiss will circulate a memorandum analyzing the new proposals after the full proposals are released by the SEC.

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This memorandum is not intended to provide legal advice with respect to any particular situation and no legal or business decision should be based solely on its content. Questions concerning issues addressed in this memorandum should be directed to any member of the Paul, Weiss Securities Group, including:

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