

TRANSACTIONAL AND SECURITIES UPDATE:

Design and Evaluation of Disclosure Controls and Procedures; Basis for CEO/CFO Certifications under the Sarbanes-Oxley Act

As a result of the SEC's new rules implementing the CEO/CFO certification requirements of Section 302 of the Sarbanes-Oxley Act and the independent CEO/CFO certification required under Section 906 of the Sarbanes-Oxley Act, CEOs and CFOs of public companies must now make certifications with respect to each annual and quarterly report filed with the SEC. In addition, the SEC's new rules require every public company to maintain and continuously evaluate "disclosure controls and procedures" designed to ensure that a company gathers, analyzes and discloses all information that is required to be disclosed in its SEC reports. Accordingly, public companies should review, refine and formalize their existing disclosure controls and procedures and adopt steps to evaluate these controls and procedures to comply with the SEC's new rules. That process, when combined with taking steps to comply with those disclosure controls and procedures and to confirm that compliance before filing relevant reports, should give CEOs and CFOs a basis to make the required certifications.

This Update first addresses disclosure controls and procedures on a conceptual level. The Update then provides, as Appendix A, a checklist of procedures that public companies should consider in developing and evaluating their disclosure controls and procedures. These suggested procedures are intended to:

- Assist companies in refining and, as appropriate, supplementing their procedures for preparing the non-financial statement portions of Form 10-Ks and 10-Qs and improving the overall quality of disclosures in these reports; and
- Assist CEOs and CFOs in making required certifications with respect to (1) the adequacy of the substantive disclosures in Form 10-Ks and 10-Qs and (2) their responsibility for the design and operation of the company's disclosure controls and procedures.

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DISCLOSURE CONTROLS AND PROCEDURES VS. INTERNAL CONTROLS

The SEC's adopting release for the new Section 302 rules makes the distinction between *disclosure controls and procedures* and *internal controls*. The concept of *disclosure controls and procedures*, in the SEC's view, is broader than the pre-existing concept of *internal controls*. *Internal controls* relate to a company's controls and procedures for financial reporting purposes and control of its assets, while *disclosure controls and procedures* relate to controls and procedures addressing the quality and timeliness of disclosure generally. Under the SEC's new rules, a company is required to design *disclosure controls and procedures* to ensure that information required to be disclosed in periodic and current reports and proxy statements is accumulated and communicated to the company's management, including its CEO and CFO, as appropriate "to allow timely decisions regarding required disclosure." While there is a distinction between the two terms, one could argue that *disclosure controls and procedures* include *internal controls*, at least to some extent, because financial information, which is heavily reliant on *internal controls*, remains a critical part of issuers' reports, with respect to which *disclosure controls and procedures* are intended to facilitate good disclosure in general.

The CEO/CFO certifications that Section 906 and Section 302 require each contain certifications that relate to *disclosure controls and procedures* and *internal controls*. The Section 906 certification requires CEOs and CFOs to certify that the report complies with Section 13(a) or 15(d) of the Securities Exchange Act of 1934. The Section 906 certification also requires CEOs and CFOs to certify that information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the company. The required Section 302 certifications include statements to the effect that (1) CEOs and CFOs are responsible for establishing and maintaining, and have designed and evaluated the effectiveness of, *disclosure controls and procedures* and (2) the periodic report in question does not contain untrue statements of material fact or omit material facts. Similarly, the required Section 302 certifications include language reflecting that (1) the officers have disclosed information to the company's auditors and audit committee about *internal controls* and have disclosed information in the report regarding changes in *internal controls* and (2) information in the report fairly presents the financial condition and results of operations of the company.

Public companies and their CEOs and CFOs, in connection with the Section 302 certifications covering *internal controls*, may wish to seek guidance from their own internal audit staff as well as their independent certified public accountants with respect to the maintenance and evaluation of such *internal controls*.

DEVELOPING AND EVALUATING DISCLOSURE CONTROLS AND PROCEDURES

The SEC noted in its adopting release for the new rules governing Section 302 certifications that it expects that "issuers already maintain procedures, whether formal or informal, to comply with their Exchange Act disclosure procedures and for their own internal purposes." The new SEC rules may merely require some companies to formalize their existing procedures. Others may need to formalize and also enhance their existing procedures, and the remainder who have no real procedures will have to implement such procedures. Although the new rules require each company to maintain disclosure controls and procedures, language in the new CEO/CFO certifications places responsibility for establishing and maintaining disclosure controls and procedures on the CEO and CFO.



The new SEC rules also require companies to evaluate at least every 90 days, and to report their CEO's and CFO's conclusions about, the effectiveness of the design and operation of their disclosure controls and procedures. While many companies may have maintained disclosure controls and procedures, it was probably less common in the past for companies to have formal mechanisms in place for the regular review and assessment of these controls and procedures. The evaluation now required must be conducted under the supervision and with the participation of the issuer's management, including the CEO and CFO.

The SEC has stated that there is no single recommended procedure for maintaining and evaluating the necessary disclosure controls and procedures. Each company must "develop a process that is consistent with its business and internal management and supervisory practices." Moreover, each company will need to decide what best suits its own business, culture, size, accounting practices and internal structure. For example, a decentralized company with multiple operating segments or geographically dispersed operations or a company that has recently made significant acquisitions will need different types of controls and procedures than a company with centralized operations, a single operating segment or a single geographic location.

Further, procedures will need to evolve as the company's business changes and as a company discovers any deficiencies in existing processes through the evaluation process. **Thus, while checklists are useful, they should continually be reassessed and refined.** The procedures suggested in Appendix A are offered in that spirit as a starting point, not as a definitive list.

In addition to tailoring disclosure controls and procedures to their businesses, companies will need to refine and modify these controls and procedures in response to ever-changing SEC reporting requirements. For example, companies with a public float of at least \$75 million may need to revise procedures to accommodate the accelerated due dates for Form 10-Ks and 10-Qs for fiscal years ending on or after December 15, 2003. All companies will also need to change their procedures when the SEC expands the types of reportable Form 8-K events and accelerates the time periods in which companies must file Form 8-Ks, whether on the SEC's own initiative or in response to Section 409 of the Sarbanes-Oxley Act, which requires real time disclosure "on a rapid and current basis" and in plain English of material changes in financial condition and results of operations. In that regard, while the new SEC rules do not require CEO/CFO certifications in connection with Form 8-Ks (or proxy statements), the SEC's adopting release makes it clear that disclosure controls and procedures must also ensure timely and accurate disclosure in these documents.

It is unclear how the evaluation is separate from the design and operation of disclosure controls and procedures. But, for example, companies might consider including as part of the evaluation something akin to "audit procedures" regarding disclosure controls and procedures to confirm compliance with them and/or to attempt to confirm that there was no deficiency that the disclosure controls and procedures failed to uncover. On the other hand, compliance with disclosure controls and procedures for a subsequent period may serve a dual purpose of assisting in the evaluation of disclosure controls and procedures as they applied in a prior period.

It is also unclear whether it is necessary to evaluate *internal controls* every 90 days as part of the evaluation of *disclosure controls and procedures*. To the extent *internal controls* are, at least in part, a subset of *disclosure controls and procedures*, it would be appropriate to evaluate *internal controls* as part of the evaluation of the overall *disclosure controls and procedures*. However, depending on the procedures to evaluate *disclosure controls and procedures* and how they apply over the course of a year, a specific evaluation of *internal controls* might not occur every 90 days.



DOCUMENTING PROCEDURES, COMPLIANCE AND EVALUATIONS

Companies should consider preparing the following types of documentation with respect to disclosure controls and procedures: (1) design of disclosure controls and procedures; (2) evidence of operational compliance with such controls and procedures; (3) development of the evaluation process; and (4) evidence of the evaluation of the effectiveness of both design and operation of the disclosure controls and procedures. The evaluation process should address both the design and the operation of disclosure controls and procedures since such controls and procedures may be well-designed but not followed in practice. If there are disclosure deficiencies despite well-enforced procedures, then there likely are deficiencies in the design of the disclosure procedures. As noted in the SEC's adopting release, the evaluation "should help to identify potential weaknesses and deficiencies in advance of a system breakdown." We recommend that companies begin by documenting their existing disclosure controls and procedures and then evaluate and refine these controls and procedures over time.

Written disclosure controls and procedures and the evaluation process will need to navigate between being so detailed as to be honored only in the breach and being so general as to be of little use. Similarly, documentation regarding the operation of and compliance with disclosure controls and procedures and the required evaluation process should be summary in nature but sufficient to evidence the processes followed. For example, documenting every question raised every step of the way in evaluating information for a report is too time consuming and may clutter the files with unnecessary detail that could be misconstrued by a plaintiff's attorney. We encourage companies to consult with their counsel as to appropriate form and substance of this documentation.

A company should request outside securities counsel and the company's external auditors to review its proposed written disclosure controls and procedures. Then, the audit committee should have the opportunity to review the disclosure controls and procedures. Finally, the CEO and CFO should approve the disclosure controls and procedures.

INTERNAL CERTIFICATIONS

Some companies have started requiring internal written certifications from officers, business unit and division heads and key accounting personnel as to the accuracy and adequacy of information with respect to the areas for which they are responsible. In some instances, these back-up certifications may also address the adequacy of procedures and processes. If these certifications are consistent with the company's size and culture, they may enhance the quality of its SEC reports, as well as provide written evidence of the diligence and evaluation processes. The internal certifications also help CEOs and CFOs to form a basis for making their required certifications.

However, internal certifications are not a substitute for CEO and CFO involvement in (1) supervising the design and evaluation of the reporting process and (2) assessing the quality and completeness of disclosures. The central thrust of the new Section 302 certifications is to prevent CEOs and CFOs from delegating ultimate responsibility for these tasks.

An example of such a certification in general form is attached to this Update as Appendix B. Some companies are also requiring more detailed, individualized certifications that address areas of specific responsibility (*e.g.*, human resources or environmental) or accounting matters typically found in management representation letters to the auditors.



If you have any questions concerning the matters discussed in this Foley & Lardner Update, please contact your Foley & Lardner attorney, or contact:

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**DISCLOSURE CONTROLS AND PROCEDURES
AND CERTIFICATION
CHECKLIST ITEMS**

The checklist items below, which companies should consider including in their formal disclosure controls and procedures, are divided into three parts:

- (1) the process for collecting and assessing the information required for the SEC report and for preparing and reviewing the SEC report;
- (2) the process for evaluating the effectiveness of the company's disclosure controls and procedures; and
- (3) suggested specific actions of CEOs and CFOs with respect to preparation of the reports and making of required certifications.

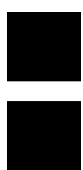
While the checklist includes certain "hot topic" substantive issues that all preparers of SEC reports should consider, the checklist is not intended as a comprehensive substantive checklist for the content of these reports.

Collecting and Assessing Information; Preparing and Reviewing the Report

1. Identify the individuals involved in collecting information to be disclosed, determining the need for disclosure of information, preparing disclosures to be included in the report and reviewing and confirming the accuracy of information in the report. Evaluate whether additional internal or external personnel should be involved in general or in special cases due to particular circumstances.
2. Create a formal committee, a step the SEC has recommended, with responsibility for "evaluating the materiality of information and determining disclosure obligations on a timely basis." The "disclosure committee" should report to the CEO and/or CFO. In smaller companies, the committee might also include the CEO and/or CFO. Depending on the company, other members of the committee could include:
 - ◆ The principal accounting officer or the controller;
 - ◆ The general counsel or principal legal officer responsible for disclosure matters;
 - ◆ The principal risk management officer;
 - ◆ The chief investor relations officer;
 - ◆ Senior personnel responsible for finance/treasury and internal audit; and
 - ◆ Other appropriate officers or employees, including individuals associated with the company's business units.

External auditors and outside securities counsel could attend one or more meetings at the committee's request.

3. Consider and document the practices and procedures to be used by members of the disclosure committee to identify categories of information requiring disclosure and to evaluate specific matters requiring disclosure.
4. Create a timeline for collecting information, determining whether disclosure is required, preparing and reviewing the report and giving others the opportunity to review the report, building in adequate time for disclosure committee meetings and all necessary reviews and to address disclosure issues. Permit sufficient time to ensure that deficiencies and unexpected developments can be corrected prior to the required CEO/CFO certifications and ideally before an earnings release.
5. Evaluate and revise procedures to accommodate, and ensure that personnel are aware of, the reporting requirements and deadlines when new SEC rules expand the scope of reportable Form 8-K events and accelerate Form 10-K, 10-Q and 8-K filing deadlines.
6. Consider and document the process to collect and generate information for the report, including non-financial data. Consider replicating procedures for the collection and verification of financial data so that they apply to the collection and verification of non-financial data, such as liquidity, operational and regulatory risks. Procedures for Form 10-Qs generally should be as extensive as procedures for Form 10-Ks.
7. Review for purposes of assessing disclosures and preparing the report, and provide as appropriate to the CEO and CFO for purposes of their certifications, supplemental materials such as:
 - ◆ Last year's report for the same period and the most recent report;
 - ◆ Other public disclosures and SEC filings for the current year, including earnings releases, prospectuses, proxy statements (pay particular attention to MD&A, trends and forward-looking statements not borne out by subsequent developments) and conference call scripts;
 - ◆ Financial statements for the period and the corresponding prior period by segment, division and product line;
 - ◆ Budgets and variances from budget, especially material unexplained deviations;
 - ◆ Cash flow and capital expenditure projections;
 - ◆ Previous SEC staff comment letters to the company;
 - ◆ Reports filed with other governmental agencies;
 - ◆ Other company files and records (*e.g.*, board and audit committee minutes, litigation summaries and company brochures and publications);
 - ◆ Attorney responses to audit letter requests;
 - ◆ Investor roadshow presentations;
 - ◆ Board materials;



- ◆ Analysts reports (*e.g.*, do any analysts request clearer disclosures of specific matters?); and
 - ◆ Recent industry data and SEC reports of other companies in the same industry.
8. Analyze the selection and implementation of critical accounting policies and the judgments involved. Discuss the impact of different policies or estimates on the financial statements. Compare the company's critical accounting policies with those of its competitors. Consider whether estimates need to be revised in light of changing conditions (*e.g.*, goodwill impairment or reserves). Evaluate whether estimates are supported by reliable information and reasonable assumptions and whether application is consistent from period to period. Discuss these matters with the company's auditors and the audit committee. Consider implications of the report the auditor must submit to the audit committee regarding critical accounting policies and practices.
 9. Discuss any new accounting pronouncements with the company's auditors and the audit committee.
 10. Consider current "hot topics" that should be discussed with the CEO, CFO, audit committee and/or auditors, in addition to critical accounting policies, such as: the transparency of financial reporting, related party transactions, off-balance sheet arrangements, earnings management, "cookie jar" reserves, pro forma financial information, credit rating triggers and liquidity concerns.
 11. Make subject specific inquiries to executive officers, financial and accounting personnel, "special interest" personnel (*e.g.*, sales, R&D, labor relations, special litigation counsel, etc.), other important company personnel and, possibly, third parties (*e.g.*, the bank officer in charge of the company's line of credit) regarding matters within their scope of responsibility. Request quarterly as well as annual written updates from outside counsel concerning material litigation.
 12. Update the company's annual officers' and directors' questionnaires. Ask securities counsel to check for compliance with SEC rules. Consider expanding the questions about related party transactions beyond Regulation S-K requirements.
 13. Analyze whether management or the board of directors has spent considerable time discussing any material business development and, if so, whether it should be disclosed. Ask "what keeps management up at night worrying" and has it been, or should it be, disclosed?
 14. Consider preparing as much of the report as possible in plain English.
 15. In preparing MD&A, consider the following:
 - ◆ Draft MD&A as if from scratch to describe the key drivers of the company's business and results of operations, as viewed through the eyes of management.
 - ◆ Check MD&A for consistency with the President's letter in the annual report, press releases, conference call scripts and other appropriate publicly disclosed materials.

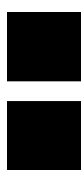
- ◆ Consider disclosure of known trends and uncertainties.
 - ◆ Ensure that procedures to generate information from various levels of the organization elicit appropriate input regarding potential subjects for MD&A disclosure.
16. Ensure that procedures obtain all information necessary to develop and update reasonable projections and forecasts if the company includes such information in its reports.
 17. Consider including plain English risk factors disclosures (especially in the Form 10-K) and update them for each filing.
 18. Update forward-looking statement disclosures in each filing to avoid a claim that they are mere boilerplate.
 19. Include a statement in the report required by the new SEC rules (1) summarizing the CEO and CFO's conclusions about the effectiveness of the company's *disclosure controls and procedures* based on their evaluation within the last 90 days, and (2) stating whether there were significant changes in *internal controls* or other factors that could significantly affect *internal controls* after the date of their most recent evaluation of those controls.
 20. Ask senior officers, business unit and division heads and key accounting personnel to review a draft of the report and advise the disclosure committee as to whether it is accurate and complete with respect to the business functions for which they are responsible. Include a bring-down procedure for any material developments from the date of the initial inquiry until the date of filing.
 21. Request that an appropriate legal and finance team conduct a careful check of the report to confirm that it fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934, including that the report addresses each of the line items required in the report.
 22. Request the company's external auditors to review financial statement disclosure, MD&A and other relevant disclosures.
 23. Obtain certifications from other senior officers, business unit or division heads and key accounting personnel with respect to their areas of responsibility. A sample form of internal certification is attached as Appendix B.
 24. Provide a draft of the Form 10-K to the full board with sufficient lead time for its review. Discuss the contents of the Form 10-Q with the audit committee in advance of filing.
 25. Determine appropriate procedures to "sign-off" on the final disclosure contained in the report.
 26. Keep a written record of compliance with the disclosure controls and procedures.

Evaluation of Disclosure Controls and Procedures

1. Include a separate section in the disclosure controls and procedures regarding the evaluation process.
2. Determine a schedule for quarterly evaluations of disclosure controls and procedures with sufficient time to ensure that deficiencies and unexpected developments can be corrected prior to the required CEO/CFO certifications and to allow review by the CEO and CFO.
3. Identify the individuals, who may include the members of the disclosure committee, who will conduct the evaluation of the disclosure controls and procedures. If senior management decides to make the committee an integral part of the evaluation process, then it should devise mechanisms besides committee self-evaluation for monitoring the disclosure committee's performance.
4. Evaluate whether the financial reporting team is adequately staffed to handle accounting and disclosure responsibilities and to still have sufficient resources to address on a timely basis any problems that arise.
5. Consider appointing a compliance officer who functions like an internal auditor, but for non-financial statement matters, is primarily responsible for monitoring compliance with disclosure controls and procedures and reports directly to the CEO and CFO with access to the audit committee. Alternatively, consider charging the internal audit function (or creating or outsourcing one, if none exists presently) with responsibility in this area and staffing the function accordingly.
6. To avoid any risk that meeting solely as a group will be an obstacle to some input, the compliance officer might also periodically meet one-on-one with members of the disclosure committee or others responsible for information gathering and preparation of SEC reports, to ask them if they have any concerns about the quality of the disclosures or the operation or design of disclosure controls and procedures.
7. Review prior disclosures to reevaluate the accuracy of such disclosures with the benefit of 20/20 hindsight and to consider whether any process modifications might be appropriate in light of that review.
8. Consider establishing a hotline or other means for employees' anonymous submission of concerns, including concerns about the conduct of senior management in the disclosure process. Prepare written summaries for all complaints and their resolution. Make periodic reports on the process to the board of directors or an appropriate board committee.
9. Document the steps followed in, and the results of, the evaluation of disclosure controls and procedures. Schedule periodic updates to the disclosure committee, the CEO and CFO and the board of directors or a board committee, as appropriate, for issues raised during the evaluation process and for prompt follow-through on corrective actions. Create a written summary of problems fixed.
10. Include an evaluation of internal controls in the evaluation process as appropriate.

Suggested Specific CEO/CFO Actions

1. Read each report in its entirety.
2. Review supplemental materials that the disclosure committee used in preparing the report.
3. Devote adequate time to thinking critically about and commenting on quarterly and annual reports with sufficient lead time to address concerns. Consider whether the report adequately describes the company and material risks and contingencies related to the company's business.
4. Ask questions of, and identify areas for further review and assistance by, senior management and/or outside advisors.
5. Meet with the disclosure committee and personnel responsible for preparing the report to discuss the process by which the report was generated, to resolve disclosure issues and questions about matters the CEO or CFO do not understand and to analyze MD&A. Review with the disclosure committee and other relevant personnel significant business developments and trends, potential contingent liabilities and impacts of factors external to the business.
6. Ask the individuals responsible for preparing the report if they are aware of any reason why the reliability or accuracy of the report should be questioned.
7. Review the accuracy of non-financial statement disclosure in the report and the company's performance and trends in its business with business unit and division heads with a view toward disclosure of trends in the MD&A section of the report.
8. Meet with the company's accounting personnel, the company's external auditors and/or the audit committee, as appropriate, to discuss:
 - ◆ Critical accounting policies, including revenue recognition, off-balance sheet liabilities, special purpose entities, capitalization of expenses, write-offs, adequacy of reserves and exposure to customers and suppliers with financial difficulties;
 - ◆ Strengths and weaknesses of, and issues regarding, internal controls;
 - ◆ Contingent liabilities, liquidity concerns and compliance with debt covenants and credit rating triggers;
 - ◆ Accounting and audit adjustments;
 - ◆ Significant tax issues; and
 - ◆ New SEC guidelines or accounting pronouncements.



9. Discuss the contents of Form 10-Ks and Form 10-Qs and the due diligence process for the required CEO and CFO certifications with the audit committee in advance of filing. Meet with the audit committee on request to review Form 10-Ks and Form 10-Qs. Be available for questions from directors about the preparation process and substance of Form 10-Ks and Form 10-Qs.
10. Consider whether the information in the report fairly presents, in all material respects, the company's financial position, results of operations and cash flows.
11. Review and approve the company's disclosure controls and procedures to be able to make the certification that the CEO and CFO have designed the company's disclosure controls and procedures to ensure that material information is made known to them. Approve all changes to disclosure controls and procedures, including changes to the evaluation process.
12. Participate in and supervise the evaluation of the company's disclosure controls and procedures to be able to make the certification that the CEO and CFO have evaluated the effectiveness of the design and operation of the company's disclosure controls and procedures within 90 days prior to the filing of the report. Request an evaluation of the disclosure controls and processes after the end of each reporting cycle by the disclosure committee or other personnel responsible for the disclosure process, with suggestions for improvements for the next reporting cycle. Request a report during the following reporting cycle of any necessary remedial actions taken.
13. Review the conclusions about the effectiveness of the company's disclosure controls and procedures as presented in the report to be filed with the SEC.
14. Disclose to the company's auditors and the audit committee any significant deficiencies in the design or operation of internal controls that could adversely affect the company's ability to record, process, summarize and report financial data and identify for the company's auditors any material weakness in internal controls.
15. Disclose to the company's auditors and the audit committee any fraud that involves management or other employees who have a significant role in internal controls.
16. Document the process and procedures that were undertaken to form the basis for making the required certifications.



CERTIFICATE OF EMPLOYEE REGARDING
SEC FILINGS OF _____

Background: In connection with _____'s (the "Company") [Annual/ Quarterly] Report on Form 10-__ for the [year/quarter] ended _____ (the "covered filing"), _____, as principal executive officer, and _____, as principal financial officer, will file a certification with the Securities and Exchange Commission (the "SEC"), each to the best of his or her knowledge, as to, among other things, the accuracy and completeness of the covered filing.

Your careful completion of this Certificate will help assure that these certifications that _____ and _____ will file with the SEC will be complete and accurate. A substantially final draft of the covered filing accompanies this Certificate.

In considering your response to this Certificate, you should consider information that you believe would be important to a reasonable investor, including (without limitation) significant business developments and trends, the Company's liquidity, capital resources, critical accounting policies, executive compensation and related party transactions.

Certification: Understanding that _____ and _____ intend to rely upon these statements, the undersigned hereby certifies, represents and warrants to each of them and to the Company as follows:

1. I have read those portions of the accompanying draft of the covered filing that relate directly to the scope of my responsibilities as an employee of the Company (the "certified information").
2. Based on my knowledge, the certified information, as of the end of the period covered by such filing, did not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.
3. Based on my knowledge, to the extent of the scope of the certified information, the certified information fairly presents, in all material respects, the financial condition, results of operations and cash flows of the Company as of the close of and for the period presented in the covered filing.
4. [Based on my knowledge, the financial statements of the _____ Group for the period covered by the covered filing have been prepared in accordance with generally accepted accounting principles in the United States and fairly present, in all material respects, the financial position and results of operations of the _____ Group as of the close of and for such period.]
5. I am not aware of any deficiencies in the effectiveness of the Company's disclosure controls and procedures that could adversely affect the Company's ability to record, process, summarize and report information required to be disclosed in the covered filing.
6. I am not aware of any significant deficiencies or material weaknesses in the design or operation of the Company's internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data.



7. I am not aware of any fraud, whether or not material, that involves the Company's management or other employees who have a significant role in the Company's internal controls.

8. I understand that _____ and _____ will be filing their certifications with the covered filing with the SEC on or about _____. If, at any time before _____, I become aware that this Certificate is incorrect for any reason, I will furnish immediately to _____ any necessary or appropriate correcting information.

Dated this ____ day of _____, 200_.

Print Name: _____

Title: _____

