

## Fourth Notice: Only Two Months Remaining to Comply with Direct Registration Program Requirements



**Please Route To:** NASDAQ-Listed Companies [that do not evidence compliance]

### **URGENT: IMMEDIATE ACTION REQUIRED NOW – Fourth Notice**

#### **What You Need to Know:**

- NASDAQ rules require that by January 1, 2008, listed securities must be eligible for a Direct Registration Program.
- DTC's records indicate that your company does not yet evidence compliance with these new rules. Failure to comply will result in NASDAQ issuing a notice of non-compliance to your company, which must be disclosed in a press release and on a Form 8-K.
- You must contact your transfer agent to assure compliance.

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According to the most recent information provided by the Depository Trust Corporation ("DTC"), it appears that your company does not evidence compliance with NASDAQ's Direct Registration Program requirement.<sup>1</sup> To be eligible, your company must use a transfer agent that meets DTC's requirements for direct registered securities and your transfer agent needs to specifically instruct DTC to designate your company's securities as "direct registered eligible." To ensure compliance, you must contact your transfer agent now and ask whether they meet DTC's requirements, and, if they do, tell them to contact DTC immediately to have your company's securities designated.

If your company fails to evidence compliance by January 1, 2008, you will receive a letter from us advising of this deficiency, which notice is required to be disclosed both in a press release and on an SEC Form 8-K. The company will also be identified as non-compliant by third-party data providers as well as on our website. After we issue this notice, the company may be eligible for a short extension of time to become compliant, but we cannot grant any relief from these disclosure requirements and, if the company is unable to comply within any extension that is granted, it will be subject to being delisted.

If you believe you are already in compliance with this requirement and are receiving this communication in error or have any questions, please contact your NASDAQ Relationship Manager or your NASDAQ Listing Qualifications Analyst.

#### **Additional Information**

For more detailed information, please see the following:

- NASDAQ Rule 4350(I)–  
[http://www.complinet.com/nasdaq/display/display.html?rbid=1705&element\\_id=1014](http://www.complinet.com/nasdaq/display/display.html?rbid=1705&element_id=1014)
- Previous NASDAQ Issuer Alerts on this topic –  
[http://www.complinet.com/nasdaq/display/display.html?rbid=1705&element\\_id=1618](http://www.complinet.com/nasdaq/display/display.html?rbid=1705&element_id=1618)

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<sup>1</sup> A Direct Registration Program permits an investor's ownership to be recorded and maintained on the books of the issuer or the transfer agent without the issuance of a physical stock certificate. In August 2006, NASDAQ and the other major exchanges adopted rules requiring that listed securities be eligible for a Direct Registration Program operated by a clearing agency registered under Section 17A of the Exchange Act. At present, DTC is the only provider of a Direct Registration Program.

- List of transfer agents that meet the DTC requirements for direct registration – [https://login.dtcc.com/dtcorg/binary/19247DRS\\_Limited.pdf](https://login.dtcc.com/dtcorg/binary/19247DRS_Limited.pdf)
- Securities Industry Association’s Immobilization & Dematerialization Guide – <http://www.sifma.org/services/techops/pdf/SIADematerializationImpGuide.pdf>

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