

Inside This Issue

Features

- 1 *Committee on Improvements to Financial Reporting Issues Final Report*
- 1 *Commenters Offer Differing Views on Timing and Benefits of Interactive Data Proposal*

Selected Staff Comment Letters

- 3 *Selected Staff Comment Letters*

Hot "Sample" Requests

- 5 *Companies Discuss Naked Shorts and Covered Shorts*

Current Noteworthy SEC Filings

- 7 *SEC Filing Index*
- 7 *Registration Statements*
- 10 *Proxy Statements*
- 13 *Williams Act Filings*
- 14 *Forms 8-K*

Sample Menu

- 17 *Registration Statements*

Committee on Improvements to Financial Reporting Issues Final Report

The SEC's Advisory Committee on Improvements to Financial Reporting recently met to approve a final report. The Committee made a number of minor changes in response to the most recent comment letters received on the draft report. Chief Accountant Conrad Hewitt noted that the work of the committee represented one of the reasons he came to the Commission—his concerns with the complexity of financial reporting. He commended the committee for its work.

SEC Chairman Christopher Cox received the final report at a news conference today at which he applauded the committee for taking on the daunting challenge posed by financial complexity. The committee began its work over a year ago, he said, and today has presented 25 recommendations to help "cut through the fog" of financial reports. Cox noted that the committee's early release of preliminary recommen-

continued on page 2

Commenters Offer Differing Views on Timing and Benefits of Interactive Data Proposal

United States Steel Corp. believes that the SEC is underestimating the complexity and cost of providing interactive data, and might be overestimating its benefit to investors, particularly individual investors. The company submitted its views in a comment letter on the Commission's proposal to require companies to file their financial statements in interactive data format using XBRL. The comment period on the proposal recently closed.

Nat'l. City Corp. supports the interactive data initiative, but said that from a preparer's standpoint interactive data will not result in efficiencies or cost reductions in its reporting process. The company plans to perform the tagging internally, and the proposed disclosures will create an incremental step in its filing process, the company wrote.

continued on page 4

Final Report

continued from page 1

dations resulted in SEC rule proposals on interactive data and guidance on the use of company Web sites to provide information to investors. Cox has asked the staff to immediately begin analyzing the committee's recommendations with a view to drafting proposals for the Commission's consideration.

The committee believes that all errors in financial reporting should be corrected, but not all should lead to a restatement.

FASB Chair Bob Herz, an observer to the committee's proceedings, said that for years he has advocated a collective effort to reduce complexity in financial reporting and to increase transparency. He commended Cox and Chief Accountant Conrad Hewitt for taking on the project under the Federal Advisory Committee Act.

Committee Chair Robert Pozen acknowledged the SEC's early efforts on two of the recommendations and said he will be keeping score on the other 23. Pozen said the committee focused on ways to improve the usefulness of financial reporting to investors. The XBRL initiative will be helpful to the more sophisticated investors, in his view. He noted that the committee was unable to solve the debate between the use of fair value versus historical cost accounting, but proposed an approach to make the differences more clear.

The committee believes that all errors in financial reporting should be corrected, but not all should lead to a restatement. During the "dark period" that

accompanies a restatement, investors have access to very little information, he explained.

None of the committee's recommendations require legislative action, so it is up to the SEC, FASB and the PCAOB to act, according to Pozen. PCAOB Chairman Mark Olson also served as an observer to the committee. He noted that any changes in accounting have audit implications, so the PCAOB was pleased to be involved to provide insight in that area.

Cox was asked his view of the three most important recommendations. He replied that those on which the SEC has taken action were not necessarily the most important, but those on which the recommendations were ready first. He was unwilling to name the most important recommendations, but said the public could probably infer the answer from the SEC's actions in the weeks and months ahead.

Pozen said among the most important recommendations were those to clarify the fair value/
continued on page 4

SEC FILINGS *Insight*

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Selected Staff Comment Letters

This section provides summaries of selected recent staff comment letters. Comment letters are issued by the SEC staff after its review of company filings. In the letters, the staff requests that the company change or clarify the information contained in the filing. The company issues a response, typically amending its filing in accordance with the staff's comments. The following are summaries of recently released comment letters deemed noteworthy by our editors.

Executive Compensation—Company Must Detail Explanation Regarding Confidentiality of Performance Objectives

■ **Alcoa, Inc.**

Date: 1/6/08; 1/14/08; 2/4/08; 3/5/08 SIC No.: 3350
Subject Filing: Sch. 14A State: PA
Accession No. (Staff Letter): 0000000000-08-000829;
0000000000-08-011439; 0000000000-08-011441
Accession No. (Co. Letter): 0001193125-08-006224;
0001193125-08-019357

The staff requested that Alcoa provide additional information about the performance benchmarks used to fix executive compensation pursuant to a non-equity plan or otherwise to explain why such information should be accorded confidential treatment. In its first reply, the company noted that it maintains an equity performance plan and a non-equity performance plan. Data pertaining to the equity plan was disclosed in the company's proxy, but the company asserted confidentiality over certain aspects of the non-equity plan. Alcoa stated that the non-equity plan consists of an annual cash incentive bonus and seeks to advance the operating plans of its various business units over the course of a year. Named executive officers ("NEOs") are rewarded based upon either a corporate composite of business unit results or a combination of the corporate composite and a composite of business unit results for business units that report to an individual executive. The company agreed to provide certain information about the non-equity plan in its future filings, but claimed that specific business unit performance targets may be omitted because they would reveal competitive information or because they are immaterial. In its reply to a follow-up comment, the company observed that

the metrics employed in calculating the non-equity annual bonus involve 18 business units and are divided into weighted components tracking financial measures (80%) and nonfinancial measures (20%), resulting in 300 business unit objectives. The company asserted that the metrics were too numerous to be material to investors. The company also claimed that the metrics may be omitted from its disclosure because they involve competitively sensitive business unit data that is not typically disclosed by the company. The company further claimed that since the measures themselves are immaterial, the targets for the measures are similarly immaterial. In its future filings, however, the company will include an exhibit showing a chart of historical corporate composite data as well as certain other data regarding performance objectives for NEOs. The staff subsequently indicated that it had no further comments.

Executive Compensation—Oil Refiner Discusses Use of Individual Performance Measures for NEOs

■ **Valero Energy Corp.**

Date: 10/23/07; 3/12/08 SIC No.: 2911
Subject Filing: Sch. 14A State: DE
Accession No. (Staff Letter): 0000000000-08-012962;
0000000000-08-012964
Accession No. (Co. Letter): 0000950134-07-021735

The staff, upon reviewing the Schedule 14A filed by Valero Energy, requested that the company provide additional information about the role of individual performance and personal objectives in setting the pay of named executive officers. The company explained that its compensation committee and the CEO consider a variety of objective and subjective factors in fixing named executive officer pay. Valero noted that the factors are often subjective and do not typically include sales or growth targets, earnings per share, return on investment, or total shareholder return. The company, however, does employ certain objective factors, such as execution of projects within budget parameters, improvement in op-

erating unit profitability, or timely completion of an acquisition or divestiture. The process also includes various subjective or qualitative factors, including the ability to lead, the ability to communicate, adherence to stated core values, which encompass commitment to the environment and safety, acting

with integrity, showing work commitment, communicating effectively and respecting others. The company does not assign specific weights to the items identified as elements of individual performance. The staff subsequently indicated that it had no further comments. ■

Final Report

continued from page 2

historical cost presentations, to require that all initiatives that apply to an entire industry go through the notice and comment process and the proposal regarding the correction of errors and restatements. Although the number of restatements has declined in the U.S., it is still much higher than in the rest of the world, he said. Investors may be confused about what is really important when the number of restatements is so high.

In response to a question about the timetable for action, Cox said the SEC may not be able to address all of the recommendations by year-end, but it will start immediately. The process will likely continue into 2009, he said, since proposals must be drafted, subjected to public notice and comment and then returned to the Commission for final action. He suggested that early spring may be a reasonable gestation period. ■

—*Jacquelyn Lumb*

Interactive Data Proposal

continued from page 1

U.S. Steel said that it will be necessary for companies to continue to provide traditional financial statements in addition to interactive data. Interactive data is only one part of investment analysis, and many material facts are not quantifiable in that format, the company wrote. The company does not believe the majority of users of financial statements, especially individual investors, will embrace the use of interactive data immediately.

United Technologies Corp. (“UTC”), which has participated in the SEC’s voluntary interactive data filing program for more than three years, acknowledged that there is a natural resistance in the marketplace to the switch to interactive data because of cost, resource limitations and conflicting priorities. As a result, UTC believes the Commission must mandate the use of XBRL if it wants it to become widely employed. There are no obstacles to the rapid implementation of interactive data by registered companies, in UTC’s opinion. The existing XBRL tools are robust, the resources are available and the U.S. GAAP taxonomy is mature, the company wrote.

UTC and U.S. Steel disagree on the timing of the adoption of interactive data. U.S. Steel thinks that the first required submissions should be delayed at least until the filing associated with the first quarter of 2009. It also feels that the timing may be premature if U.S. companies will be required to adopt international financial reporting standards in the next several years. After the adoption of IFRS, companies will have the additional burden of going through the initial tagging process again, the company said.

UTC noted that based on its experience the learning curve is relatively short for XBRL. It took the company less than 80 hours to learn the software, tag the financials, validate the process and submit a filing. In its opinion, there is sufficient lead time before the end of 2008 for large companies to become acclimated with the interactive data process.

Nat’l. City sided with U.S. Steel on the issue of timing. The company believes that the proposed timetable for implementing interactive data reporting is a little aggressive. Software vendors are not currently ready for such a large demand for their services, according to Nat’l. City, which

continued on page 6

Hot Sample Requests

Companies Discuss Naked Shorts and Covered Shorts:

JPMorgan Chase & Co. (424B2, 08/04/08)
Merrill Lynch & Co. Inc. (424B2 , 07/31/08)
Companhia Vale do Rio Doce (424B2, 07/18/08)

Many companies use short sales to keep prices steady or in cases of over-allocations. A covered short is where the company has found a seller to provide the security that is shorted, while a naked short is where a seller has not been found. Short selling is an acceptable practice under some circumstances, but is restricted when the price of the security is moving down. In addition, concerns about naked short selling caused the Securities and Exchange Commission to recently restrict its use for Fannie Mae, Freddie Mac and a number of large banks. In a short sale the seller must provide the buyer with the security at a later date, by which time the seller must purchase the security for delivery. In a covered short, arrangements have been made to purchase the security, while in a naked short, no such arrangement has been made.

JPMorgan Chase plans to offer and sell principal protected dual directional notes linked to a weighted basket of commodities and indexes. In order to facilitate the offering of these notes, the company's agent, JPMorgan Securities Inc. ("JPMSI") may engage in transactions to stabilize, maintain or otherwise affect the price of the notes, including naked shorts. Specifically, JPMSI may sell more notes than it is obligated to purchase in connection with the offering, creating a naked short position in the notes in its own account. It must close out any naked short position by purchasing the notes in the open market. JPMSI is more likely

to create a naked short position if it is concerned that there may be downward pressure on the price of the notes in the open market after pricing that could adversely affect investors who purchase notes in the offering. JPMSI may also bid for and purchase notes in the open market to stabilize their price. Any of these activities, according to the filing, may raise or maintain the market price of the notes above independent market levels or prevent or retard a decline in the market price. JPMSI is not required to engage in these activities, and may end any of them at any time.

Merrill Lynch & Co., Inc. is offering 380 million common shares. An affiliate of Merrill's largest shareholder, Temasek Holdings, has committed to buy \$3.4 billion of these shares. Temasek is run by the government of Singapore. Merrill notes that the underwriter, an affiliate, may engage in stabilizing transactions, over-allotment transactions and covering transactions in accordance with Regulation M of the 1934 Act. The filing explained that over-allotment transactions involve sales by the underwriter of common shares in excess of the number of shares the underwriter is obligated to purchase. This creates a short position, which may be either a covered short or a naked short. The filing describes a covered short as where the number of shares over-allotted by the underwriters is not greater than the number of shares they may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriter may close out any short position by either exercising the over-allotment option and/or purchasing shares in the open market. When determining the source of shares to close out a short position, the underwriter will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which it may purchase shares

This section captures "what's hot and who's ordering what" by capitalizing on CCH Washington Service Bureau's position as a leading provider of sample securities research. A sample research request illustrative of a current trend or industry change has been highlighted, followed by a list of applicable documents relating to the sample criteria. The text explains the relevance of the sample and provides insight into some of the pertinent filings. Suggestions for future sample treatment in SEC Filings Insight are welcomed and may be sent to the attention of CCH Washington Service Bureau's Editorial Office.

through the over-allotment option. The filing adds that a naked short is more likely to be created if the underwriter is concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

Companhia Vale do Rio Doce is planning an offering of common and Class A shares in offerings in both Brazil and the U.S. Short sales may result from over-allotments, according to the filing. These short positions may be covered by either covered short or naked short positions. In a covered short po-

sition, the number of American Depositary Shares (“ADSs”) over-allotted by Credit Suisse Securities (USA) LLC is not greater than the number of ADSs that Credit Suisse may purchase from Banco de Investimentos Credit Suisse (Brasil) S.A. under an intersyndicate agreement following the exercise of the over-allotment option. In a naked short position, the number of ADSs involved is greater than the number that Credit Suisse Securities (USA) LLC may purchase from Banco de Investimentos Credit Suisse (Brasil) under the intersyndicate agreement. ■

—Peter Feltman

Interactive Data Proposal

continued from page 4

has had some difficulty obtaining and installing third party software.

One point on which the three commenters agreed is that the first required submission with interactive data should be a Form 10-Q, not a 10-K. UTC said that it would facilitate the adoption of interactive

United Technologies Corp. acknowledged that there is a natural resistance in the marketplace to the switch to interactive data because of cost, resource limitations and conflicting priorities.

data and possibly help mitigate any resistance if the first filing is a Form 10-Q. Based on its experience with the program, the company said that tagging a Form 10-Q is much easier than tagging a Form 10-K.

U.S. Steel and Nat'l. City also advised the SEC that it would be much simpler for companies if the first required interactive data filing is a Form 10-Q. U.S. Steel recommended delaying implementation until 2009 to give preparers time to familiarize themselves with the process before filing the more complicated Form 10-K.

With respect to the proposed tagging of footnotes, UTC thinks that a phase-in period is appropriate, and that ASCII and HTML formatted statements should be permitted until interactive data rendering software becomes more prevalent. Once it does, the use of the other formats should be eliminated in order to realize the full benefits of migrating to XBRL, the company said.

Nat'l. City agreed with the proposal to initially tag each footnote as a single block of text. It also believes the detail should be expanded in the second year to show separate tags for each significant accounting policy. However, the company did not agree with the proposal to create individual tags for each dollar amount, percentage and GAAP disclosure in the footnotes.

The company estimates that tagging at this level would result in over 2,200 tags in its footnotes and would require a significant number of extensions to the standard taxonomy. The more customization that occurs to the standard taxonomy, the less useful the data will be for those wanting to perform comparisons among registrants, Nat'l. City said. ■

—John Filar Atwood

Noteworthy SEC Filings

Current Noteworthy SEC Filings

The filings listed below were received at the Securities and Exchange Commission between June 23, 2008 and July 25, 2008. The registration statements list contains selected recent filings. For a full list of each day's registration statements, please see SEC Today.

Registration Statements

- Innerlight Holdings, Inc.
- J.M. Smucker Co.
- Citigroup, Inc.
- Willis Group Holdings, Ltd.
- LJ Intl., Inc.
- Critical Therapeutics, Inc.
- Harbin Electric, Inc.
- Roadrunner Transportation Services Holdings, Inc.

Proxy Statements

- National Lampoon, Inc.
- Apria Healthcare Group, Inc.
- CET Services, Inc.
- Inrob Tech Ltd.
- Napster, Inc.
- Vonage Holdings Corp.
- Answers Corp.

Williams Act Filings

- X-Change Corp.
- Excel Technology, Inc.
- Landrys Restaurants, Inc.

Forms 8-K

- Brocade Communications Systems, Inc.
- Mint Leasing, Inc.
- Stereotaxis, Inc.
- DPAC Technologies Corp.
- ArQule, Inc.
- Toyota Motor Credit Corp.

Registration Statements

Innerlight Offers Units in Direct Offering

■ **Innerlight Holdings, Inc.**

Maximum Offering Price: \$7,000,000

Form: S-1 SIC No.: 5122

Date: 7/21/08 State: DE

SEC File No.: 333-152430 Market: OTC

Counsel: William J. Reilly, Esq.

Innerlight Holdings, Inc. registers \$1 million common shares in connection with its initial public offering. The shares are being offered in a direct public offering, without any involvement of underwriters or broker-dealers, in units consisting of 10 common shares, 10 Class C common stock purchase warrants exercisable at \$2 per share, and 10 Class D common stock purchase warrants exercisable at \$4 per share. The offering price is \$10 per unit. The offering will terminate 180 days from the effective date of the prospectus, or an additional 90 days if extended, although Innerlight may close the offering on any date prior if the offering is fully subscribed. The funds will be maintained in a special escrow account maintained by the company's escrow agent until it receives the full proceeds of \$1 million at which time the company will remove the funds. Innerlight has applied for listing of its common shares on the OTC Bulletin Board, and in the future a limited trading market for its common shares may develop. Currently, the company's officers, directors and principal shareholders beneficially own 71% of Innerlight's outstanding common shares, or 65% after giving effect to the sale of one million shares in the offering. As a result, the directors, executive officers and principal shareholders collectively are able to influence all matters requiring shareholder approval.

P&G Transactions with Smucker Create Greater Value for Shareholders

■ **J.M. Smucker Co.**

Maximum Offering Price: \$2,803,181,209
Form: S-4 SIC No.: 2033
Date: 7/22/08 State: OH
SEC File No.: 333-152451 Market: NYSE
Counsel: Calfee Halter

J. M. Smucker Co. registers \$2.8 billion of common shares in connection with Procter & Gamble Co.'s offer to exchange all the common shares of Folgers Coffee Co. which are owned by P&G and that will be converted into Smucker shares. Immediately following consummation of the exchange offer, Folgers will merge with a wholly-owned subsidiary of Smucker whereby Folgers will become a wholly-owned Smucker subsidiary. Pursuant to the merger, each Folgers common share will automatically convert into the right to receive one Smucker common share. For each \$1 of P&G common shares accepted in the exchange offer, shareholders will receive a number of Folgers common shares, based on the average P&G share price and the average Smucker share price determined by P&G during a period of three consecutive trading days, so that the total number of Folgers common shares outstanding after the issuance will be 1.1524 times the number of Smucker common shares. Upon consummation of the transactions, \$350 million in Folgers debt will be guaranteed by Smucker, subject to the requirements of a separation agreement. The Folgers common shares offered in the exchange are subject to increase if Folgers is not able to fully finance the \$350 million cash dividend to P&G. If the exchange offer is completed but is not fully subscribed, P&G will distribute all of the remaining shares in a pro rata dividend to P&G shareholders whose P&G common shares have not been accepted in the offer. Under the contribution, P&G will contribute certain of the assets and liabilities of the coffee business to Folgers. The exchange offer is designed to permit shareholders to exchange their P&G common shares for Folgers common shares at a discount. The P&G common shares acquired in the exchange offer will be held as treasury shares.

Citigroup Amends Dividend Reinvestment and Direct Stock Purchase Plan

■ **Citigroup, Inc.**

Maximum Offering Price: \$1,487,500,000
Form: S-3D SIC No.: 6021
Date: 7/22/08 State: DE
SEC File No.: 333-152454 Market: NYSE
Counsel: Skadden Arps

Citigroup Inc. registers 100 million common shares in connection with its amended and restated dividend reinvestment and direct stock purchase plan that provides investors with a convenient and cost-effective method to purchase Citigroup common shares. Existing shareholders may purchase additional common shares by reinvesting some or all cash dividends paid on the outstanding common shares. The price to be paid by participants for each common share purchased directly from Citigroup under the plan will equal the average of the daily high and low sales prices, computed up to six decimal places, of Citigroup's common shares as reported on the NYSE on the dividend payment date. The price to be paid by participants for each common share purchased in market transactions will be equal to the weighted average price of the actual prices paid, computed up to six decimal places, for all common shares purchased by the plan administrator in connection with the market transactions. In addition, the plan also allows existing shareholders to make optional cash purchases of Citigroup common shares. The amended plan has appointed a new plan administrator and offers common shareholders the opportunity to make direct stock purchases through optional cash investments. The 2003 plan only provided for reinvestment of dividends.

Willis Group and Hilb Rogal to Merge

■ **Willis Group Holdings, Ltd.**

Maximum Offering Price: \$926,586,051
Form: S-4 SIC No.: 6411
Date: 7/25/08 State: Bermuda
SEC File No.: 333-152560 Market: NYSE
Counsel: Weil Gotshal

Willis Group Holdings Ltd. registers \$296 million common shares in connection with the merger of Hilb

Rogal & Hobbs Co. ("HRH") into a Willis wholly-owned subsidiary with the merger subsidiary surviving the merger. Immediately following the merger, the merger subsidiary will change its name to Willis HRH. HRH shareholders will receive at their election, subject to proration, either Willis common shares or cash. The cash consideration per HRH common share will be equal to the product of the merger exchange ratio multiplied by the average price per Willis common share on the NYSE during the ten trading day period ending on the second full trading day prior to the effective time of the merger. If the average Willis share price is greater than or equal to \$31.46 and less than or equal to \$40.04, then the value of the per share consideration will be equal to \$46. Outside of the range, the value of the per share consideration will fluctuate, and if the average Willis share price is less than \$31.46, then the value of the per share merger consideration will be less than \$46, or is greater than \$40.04, then the value of the per share merger consideration will be greater than \$46. In each case, the value of the per share merger consideration will be the same regardless of whether an HRH shareholder elects to receive the merger consideration in the form of cash or Willis common shares. If the merger is terminated under certain circumstances, HRH must pay Willis a \$74 termination fee.

New Enterprise Income Tax Law May Adversely Affect LJ's Operations

■ **LJ Intl., Inc.**

Maximum Offering Price: \$100,000,000
Form: F-3 SIC No.: 3911
Date: 7/22/08 State: BVI
SEC File No.: 333-152452 Market: Nasdaq
Counsel: Andrew N. Bernstein, P.C.

LJ Int'l., Inc. registers \$100 million common shares and warrants in one or more offerings and in any combination from time to time. The common shares may be offered either alone or underlying other registered securities convertible into the company's common shares. Common shareholders are entitled to receive dividends declared by the board out of funds legally available for the payment of dividends. Each holder of common shares is entitled to one vote per share and the shares do not have preemptive rights. The warrants may be issued for the pur-

chase of common shares, either independently or together with other securities. LJ's production facilities are located in China so its results of operations and financial condition may, therefore, be influenced by the economic, political, legal and social conditions in China. The Chinese legislature passed a new enterprise income tax law, which became effective on January 1, 2008, that applies a uniform 25% enterprise income tax rate ("EIT") to both foreign invested enterprises and domestic enterprises, except that enterprises that were approved to be established prior to March 16, 2007 may continue to enjoy the existing preferential tax treatments until December 31, 2012. Existing companies are required to transition to the new EIT rate over a five-year period starting January 1, 2008. If the PRC tax authorities determine that LJ's British Virgin Islands holding company is a resident enterprise for PRC enterprise income tax purposes, a number of unfavorable PRC tax consequences could follow.

Going Concern Opinion Prompts Critical Therapeutics to Merge with Cornerstone

■ **Critical Therapeutics, Inc.**

Maximum Offering Price: \$29,420,504
Form: S-4 SIC No.: 2834
Date: 7/22/08 State: DE
SEC File No.: 333-152442 Market: Nasdaq
Counsel: Wilmer Cutler

Critical Therapeutics, Inc. registers over 101 million common shares in connection with the merger of Cornerstone BioPharma Holdings, Inc. into Neptune Acquisition Corp., a wholly-owned subsidiary of Critical Therapeutics, whereby Cornerstone will survive as a wholly-owned Critical Therapeutics subsidiary. Critical Therapeutics will issue to Cornerstone's shareholders, and will assume Cornerstone options and warrants that will represent, 101.5 million Critical Therapeutics' common shares, subject to adjustment as a result of a reverse stock split of Critical Therapeutics' common shares to occur in connection with the merger. Immediately following the merger, Cornerstone's shareholders will own 70%, and Critical Therapeutics' shareholders will own 30% of Critical Therapeutics' common shares, after giving effect to shares issuable pursuant to Cornerstone's outstanding options and warrants, but

without giving effect to any shares issuable pursuant to Critical Therapeutics' outstanding options and warrants. The exact exchange ratio per Cornerstone common share will be based in part on the number of Cornerstone's common shares issuable pursuant to outstanding options and warrants immediately prior to the effective time of the merger and will not be calculated until that time. In the event the merger does not close, Critical Therapeutics will have a limited ability to continue its current operations without obtaining additional financing. Critical Therapeutics has agreed to take all necessary actions to appoint Cornerstone's president and CEO and a member of Cornerstone's board, and Cornerstone's chairman of the board, to Critical Therapeutics' board. In addition, Critical Therapeutics has agreed to take all necessary actions to obtain the resignations of its current directors.

Harbin Subsidiary Acquires Weihai Hengda

■ **Harbin Electric, Inc.**

Maximum Offering Price: \$50,820,000
Form: S-3 SIC No.: 3621
Date: 7/24/08 State: NV
SEC File No.: 333-152499 Market: Nasdaq
Counsel: Loeb Loeb

Harbin Electronics Inc. registers 3.5 million common shares to be offered by certain selling shareholders from time to time in the over-the counter market or on any exchange on which the company may be listed in the future. On June 24, Harbin entered into a purchase agreement with certain investors pursuant to which the company sold 3.5 million common shares for a total purchase price of \$49.455 million. On July 10, the company's wholly-owned subsidiary, Harbin Tech Full Electric Co. Ltd., entered into an equity and assets transfer agreement with Wendeng Second Electric Motor Factory, the Committee of Labor Union of Wendeng Second Electric Motor Factory and the People's Government of Zhangjiachan Town and Wendeng County with respect to an acquisition by Harbin Tech Full of Weihai Hengda Electric Motor (Group) Co. Ltd. Wendeng owns 97.15% of the equity of Hengda and the Labor Committee is the owner of the remaining 2.85% of the equity of Hengda. Zhangjiachan Town is the shareholder and governing authority of Wendeng.

Roadrunner Transportation Will Go Public and Consummate Merger

■ **Roadrunner Transportation Services Holdings, Inc.**

Maximum Offering Price: \$150,000,000
Form: S-1 SIC No.: 4731
Date: 7/24/08 State: DE
SEC File No.: 333-152504 Market: Nasdaq
Counsel: Greenberg Traurig

Roadrunner Transportation Services Holdings, Inc. ("RRTS"), a leading non-asset based transportation and logistics services provider, registers \$150 million of common shares in connection with its initial public offering. Simultaneously with the consummation of the offering, Group Transportation Services Holdings, Inc. ("GTS") will merge with an RRTS wholly-owned subsidiary. The addition of a transportation management solutions offering to RRTS's existing suite of services through the merger allows RRTS to offer its customers a one-stop transportation and logistics solution, including access to the most cost-effective and time-sensitive modes of transportation within its broad network. RRTS will use the net proceeds from the offering to prepay amounts under its existing credit facility. The company intends to use \$4.1 million to pay a termination fee and transaction-related expenses to affiliates of its two largest shareholders in connection with the offering and the termination of the management services agreement with the affiliates and \$5.1 million to redeem RRTS's Series A preferred shares.

Proxy Statements

Nat'l. Lampoon Makes Changes for Continued Listing on AMEX

■ **National Lampoon, Inc.**

Meeting Date:— Market: AMEX
State: CA SIC No.: 7812

In a recent information statement, Nat'l. Lampoon, Inc.'s majority common and Series B and Series C convertible preferred shareholders consented in writing to amend the company's certificate of incorporation requiring Nat'l. Lampoon to pay, on a quarterly

basis, dividends accrued on its Series B convertible preferred shares. They also consented to amend the certificate of designations, preferences, rights and limitations of its Series C convertible preferred shares that require the company to pay, on a quarterly basis, dividends accrued on its Series C convertible preferred shares and approved all of an agreement that will allow Nat'l. Lampoon to issue its securities as payment for loans made to the company by its CEO and a member of the board. In February, Nat'l. Lampoon received a letter from AMEX which indicated that the company does not meet certain of AMEX's continued listing standards since the company's losses, which are substantial in relation to its overall operations or its existing financial resources, or its financial condition has become so impaired that it appears questionable as to whether Nat'l. Lampoon will be able to continue its operations and/or meet its obligations as they mature. To avoid the potential dilution of the company's common shares that will occur if common shares are issued to pay the accrued dividends and because of the likely significant income tax effect on the recipients of the dividend payments, the board created a Series D convertible preferred share which may be issued in place of the common shares in payment of the dividends. Nat'l. Lampoon will also pay \$800,000 of principal and interest in loans the company received from its CEO and one of its directors with its securities, reducing its short term debt by \$800,000.

Merger Agreement Includes Reverse Break-Up Fee Provision

■ **Apria Healthcare Group, Inc.**

Meeting Date:— Market: NYSE
State: DE SIC No.: 8082

At an upcoming special meeting, Apria Healthcare Group Inc. seeks approval to adopt an agreement and plan of merger with Sky Acquisition LLC and Sky Merger Sub Corp. pursuant to which the merger subsidiary will be merged into Apria, and Apria will continue as a wholly-owned subsidiary of Sky, a wholly-owned Blackstone Capital Partners V L.P subsidiary. Apria shareholders will receive \$21 for each Apria common share held. In specified circumstances, upon termination, Apria may be required to pay Sky a \$28.4 million break-up fee. In certain other specified

circumstances, Apria may be required to pay Sky a lower break-up fee of \$18.9 million. In addition, Apria is required to pay Sky and the merger subsidiary all reasonable out-of-pocket expenses up to \$15 million in the event the merger agreement fails to receive shareholder approval before January 1, 2009, and an additional \$20 million in the event the merger agreement fails to receive shareholder approval between January 1, 2009 and February 15, 2009. The merger agreement also provides that, in certain other circumstances Blackstone may be required to pay Apria a \$37.9 million reverse break-up fee. In connection with the merger agreement, Blackstone entered into a limited guarantee pursuant to which it irrevocably and unconditionally agreed to guarantee the obligation of Sky to pay the reverse termination fee. Goldman, Sachs & Co. entered into an engagement letter whereby Apria has agreed to pay Goldman Sachs an \$11.8 million transaction fee of which \$1.5 million is payable upon execution of the merger agreement and the remainder is due upon consummation of the merger.

CET Intends to Maximize Shareholder Value with Reverse Merger

■ **CET Services, Inc.**

Meeting Date: 8/12/08 Market: AMEX
State: CA SIC No.: 4955

At an August 12 special meeting, CET Services, Inc. will ask shareholders to approve an agreement and plan of merger pursuant to which a wholly-owned subsidiary of the company will merge into BioMedical Technology Solutions, Inc. ("BMTS"), to change the company's state of domicile from California to Colorado, to amend the articles of incorporation to increase the authorized number of CET common and preferred shares, to approve a reverse split of CET's outstanding common shares and to approve changing the company's name to BioMedical Technology Solutions Holdings, Inc. The board approved the merger agreement as a consequence of the change in CET's business operations over the past several years which has resulted in operating losses. AMEX delisted the company's shares from trading and CET's operations have been scaled back significantly. Under the reverse merger, a merger subsidiary will merge into BMTS with BMTS continuing as a wholly-owned

CET subsidiary. The change in control includes a complete change of CET's management. After the merger, CET's operations will primarily be through BMTS. A portion of CET's real estate assets will be sold to Steven H. Davis, CET's president and CEO, in connection with the closing, and the remaining real estate holdings are expected to be liquidated by CET some time after the closing. Under certain circumstances, the terminating party will pay a \$250,000 break-up fee.

Inrob Needs to Increase Shares to Satisfy Note Transaction Documents

■ **Inrob Tech Ltd.**

Meeting Date:—
State: NV

Market: OTC
SIC No.: 3559

In a recent information statement, the majority shareholders of Inrob Tech Ltd. amended the company's articles of incorporation to increase the number of authorized common shares from 380 million to one billion and to effect a 1-500 reverse stock split of the company's outstanding common shares. The creation of additional common shares will not alter the current number of issued shares. In November 2006 and March 2007, Inrob issued to a group of accredited investors \$3 million of its 8% two-year convertible notes. Currently, Inrob is in default under the terms of the transaction documents and is thereby obligated to increase its authorized capital. The increase in authorized but unissued common shares enables Inrob, without further shareholder approval, to issue shares to holders of the March and November notes upon the conversion of the notes and from time to time as may be required for proper business purposes. The board believes that the current per-share price of Inrob's common shares has limited the effective marketability of Inrob's shares because of the reluctance of many brokerage firms and institutional investors to recommend lower-priced shares to their clients or to hold them in their own portfolios.

Napster Proposes to Eliminate Classified Board

■ **Napster, Inc.**

Meeting Date: 9/18/08
State: DE

Market: Nasdaq
SIC No.: 7371

At a September 18 annual meeting, Napster, Inc. seeks approval to amend the company's certificate of incorporation to eliminate the classified board provision and to vote against a shareholder proposal regarding Napster's preferred share rights agreement. The Napster board is currently divided into three classes whereby each director is elected to serve for a three-year term. At the 2007 annual meeting, the majority common shareholders voted in favor of a non-binding shareholder proposal requesting that the board be declassified. While the Napster board believes that the classified board structure has promoted continuity and stability, encouraged a long-term director board perspective and enhanced the independence of its non-employee directors, it recognizes the view among a growing number of investors that classified boards reduce director accountability. The current directors, including those elected to a three-year term at the annual meeting, will continue to serve the remainder of their elected terms. Starting with the 2009 annual meeting, directors will be elected annually so that by the 2011 annual meeting, all directors will be elected annually. The shareholder proponents request that the board redeem the shareholder rights previously issued under the shareholder rights plan and that the board does not adopt, extend or renew any shareholder rights plan unless it has been approved by the affirmative vote of the majority shareholders present and voting on the matter. In their view, poison pills may be considered particularly unappealing to shareholders when combined with three other aspects of the company's certificate of incorporation and by-laws. The proponents believe the company requires and deserves more owner oversight, not less.

Vonage Seeks Approval to Issue 20% of its Outstanding Common Shares

■ **Vonage Holdings Corp.**

Meeting Date: 8/20/08
State: DE

Market: NYSE
SIC No.: 4813

At an August 20 annual meeting, Vonage Holdings Corp. will ask shareholders to approve the issuance of Vonage common shares upon conversion of \$90 million of its convertible secured second lien notes that Vonage and Vonage America Inc. expect to issue as co-issuers in a private placement, including Vonage common shares that may be issued to the company's directors, officers and substantial security holders upon conversion of the convertible secured notes. It is expected that the convertible secured notes, if issued, will be convertible into common shares, representing 20% or more of the voting power or 20% or more of the number of common shares outstanding immediately prior to the issuance. In addition, Vonage expects that certain of its directors, officers and/or substantial security holders may purchase convertible secured notes, which, upon conversion, may result in the issuance to each of them of common shares representing 1% or more of the voting power or 1% or more of the number of common shares outstanding immediately prior to the issuance of the convertible secured notes. To refinance Vonage's outstanding senior unsecured convertible notes due 2010, the company has entered into a commitment letter with Silver Point Finance, LLC that establishes the terms and conditions of an up to \$125 million senior secured first lien credit facility and the \$90 million of convertible secured second lien notes.

Answers Commences Preferred Financing

■ **Answers Corp.**

Meeting Date: 9/9/08
State: DE

Market: Nasdaq
SIC No.: 7379

At a September 9 annual meeting, Answers Corp. seeks shareholder approval to amend the company's articles of incorporation to increase the authorized number of common shares from 30 million to

100 million, to amend the company's 2005 incentive compensation plan to increase the number of shares available for grant under the plan from 1.1 million to 1.35 million shares and to issue common shares equal to 20% or more of the company's outstanding common shares upon conversion or exercise of the securities issued in a June 16 private placement or the payment of dividends in common shares on the securities. An increase in the number of authorized but unissued common shares will enable Answers to issue shares from time to time as may be required for proper business purposes without further shareholder approval. The board believes that the number of common shares currently available for issuance under the 2005 plan is insufficient to continue providing its employees and future hires with the opportunity to acquire a proprietary interest in Answers. Answers entered into a securities purchase agreement with investors for the purchase of \$6 million of Series A convertible preferred shares and common share purchase warrants. In addition, Answers entered into a warrant agreement with the investors for the purchase of unit warrants exercisable until June 16 for up to \$7 million of Series B convertible preferred shares and common share purchase warrants. The company needs shareholder approval to comply with Nasdaq rules.

Williams Act Reports

Ironman Acquires Note, Warrant and Common Shares from X-Change

■ **X-Change Corp.**

Filing Party: Ironman PI Fund (QP), L.P.

Schedule: 13D

Date: 7/14/08

Amendment: —

Class: Common

No. Of Shares: 35,151,787

% of Shares: 52.7%

SIC No.: 6770

Pursuant to a securities purchase agreement among X-Change Corp., Ironman PI Fund (QP) and certain other purchasers, Ironman acquired from X-Change a \$775,000 senior secured convertible term note and a warrant to purchase over 1.93 million common shares. On July 10, the securities purchase agreement was amended. Ironman ex-

changed the original convertible note for another senior secured convertible term note, acquired a second \$775,000 senior secured convertible term note, a warrant to purchase over 11 million common shares and Ironman was issued over 7.19 million common shares.

GSI Group Offers to Purchase Excel Technology

■ **Excel Technology, Inc.**

Filing Party: GSI Group Inc.

Schedule: TO

Amendment: —

No. Of Shares:—

SIC No.: 3690

Date: 7/23/08

Class: Common

% of Shares:—

Eagle Acquisition Corp., an indirect wholly-owned subsidiary of GSI Group Inc., is offering to purchase all of the outstanding Excel Technology, Inc. common shares at a price of \$32 per share followed by a second-step merger in which any untendered shares will be acquired at the same per share price. Under the merger, Eagle will merge into Excel with Excel surviving the merger as an indirect wholly-owned GSI subsidiary. GSI and its wholly-owned subsidiary have entered into definitive agreements with various investors to provide financing of \$210 million through the issuance of senior unsecured notes and warrants.

Landry's CEO Takes Company Private

■ **Landry's Restaurants, Inc.**

Filing Party: Landry's Restaurants, Inc.

Schedule: 13E3

Amendment:—

No. Of Shares:—

SIC No.: 5812

Date: 7/17/08

Class: Common

% of Shares: —

Pursuant to an agreement and plan of merger with Landry's Restaurants, Inc., Fertitta Holdings, Inc., Fertitta Acquisition Co. and Tilman J. Fertitta, the company's chairman, president and CEO, Fertitta Acquisition will merge into Landry's and Landry's will survive and Fertitta Holdings will own all of Landry's common shares. All of Fertitta Holdings common shares will be owned by Mr. Fertitta. Landry's shareholders will receive \$21 for each share held. In

addition, all outstanding options to purchase common shares whether vested or unvested, will at the effective time of the merger become fully vested and be cancelled and converted into the right to receive a cash payment equal to the number of common shares underlying the options multiplied by the amount by which \$21 exceeds the option exercise price. Mr. Fertitta has agreed to contribute all of his outstanding common shares to Fertitta Holdings.

Forms 8-K

Brocade Acquires Foundry for Cash and Shares

■ **Brocade Communications Systems, Inc.**

Item No.: 1.01, 9.01

Market: Nasdaq

Date: 7/24/08

Amendment: —

State: DE

SIC No.: 3576

On July 21, Brocade Communications Systems, Inc. entered into an agreement and plan of merger with Foundry Networks, Inc. and Falcon Acquisition Sub, Inc., a wholly-owned subsidiary of Brocade, pursuant to which Falcon will be merged into Foundry, with Foundry surviving the merger as a wholly-owned Brocade subsidiary. At the effective time of the merger, each outstanding Foundry common share will be converted into the right to receive a combination of \$18.50 and .0907 of a Brocade common share, subject to adjustments. Certain outstanding Foundry stock options and restricted stock units to be identified by Brocade prior to the effective time of the merger will vest in full and be cashed out based on the cash equivalent of the per-share merger consideration based on a formula set forth in the merger agreement. All other outstanding Foundry stock options and restricted stock units will be converted into or replaced with equivalent Brocade equity awards based on an exchange ratio also derived from the per-share merger consideration. As an inducement for Brocade to enter into the merger agreement, the CEO of Foundry entered into a voting agreement with and in favor of Brocade. In the event Brocade fails to obtain the necessary financing for the merger, the company will be obligated to pay an \$85 million termination fee to Foundry. Also on July 21, Brocade entered into a finance commit-

ment letter whereby the initial lenders committed up to a \$125 million revolving credit facility and up to \$1.5 billion under a secured term loan and unsecured bridge loan facilities.

Legacy/Mint Leasing Acquisition Results in Change of Control

■ **Mint Leasing, Inc.**

Item No.: 1.01, 2.01, 3.02, 3.03, 5.01, 5.02, 5.03, 5
Amendment:—
Market:— State: NV
Date: 7/24/08 SIC No.: 4832

On July 18, Mint Leasing, Inc. (“Mint Nevada”), formerly Legacy Communications Corp., entered into a definitive agreement to acquire all of the outstanding capital shares of Mint Leasing, Inc. (“Mint Texas”), a privately held company in the business of leasing automobiles and fleet vehicles throughout the U.S. As a result of the acquisition, the Mint Texas shareholders own a majority of the voting shares of Mint Nevada. Mint Texas is a wholly-owned subsidiary of Mint Nevada and Legacy changed its name to Mint Leasing, Inc. In connection with the acquisition of Mint Texas, the company issued 70.65 million common shares and two million Series B convertible preferred shares to the selling shareholders. The Series A preferred shares were issued in a private placement pursuant to a stock purchase agreement. Warrants to purchase two million common shares were issued to a selling shareholder who was elected director, president and CEO of Mint Nevada in connection with the assumption by Mint Nevada on the closing date of his employment agreement with Mint Texas. Over 11 million common shares were issued to several accredited investors in conversion of promissory notes. Warrants to purchase 2.1 million shares were issued to two consultants in connection with consulting agreements executed with Mint Texas as of June 1, 2007 and assumed by Mint Nevada on the closing date. After July 18, each Series A preferred share is entitled to 200 votes in any matter on which shareholders are entitled to vote and may be converted into 200 post combination common shares. On July 18, Mint Nevada issued two million Series B preferred shares which are entitled to the number of votes equal to the number of votes of all other voting securities plus one vote. The effect of the Series B preferred shares is to

limit the voting rights of the post-combination common shares to less than a majority of all votes, regardless of the number of shares that are issued from time to time. As a result of the transactions, Jerry Parish acquired control of the company holding 78.8% of the outstanding post combination common shares and 100% of the Series B preferred shares in exchange for all of the outstanding common and preferred shares of Mint Texas.

Development Agreement Endorses Stereotaxis and Biosense Strengthened Collaboration

■ **Stereotaxis, Inc.**

Item No.: 1.01, 2.03, 8.01, 9.01 Amendment: —
Market: Nasdaq State: DE
Date: 7/24/08 SIC No.: 3845

On July 18, Stereotaxis, Inc. amended its collaboration with Biosense Webster, Inc. Under the terms of the second amendment to the development alliance and supply agreement, Biosense will provide Stereotaxis a total of \$18 million, comprised of advances against royalties on catheter sales and deferrals of ongoing research and development costs, in connection with current and future products. Pursuant to the amendment, Biosense agreed to pay to Stereotaxis within 10 business days of the execution of the amendment \$10 million as an advance on revenue share amounts that are currently owed or may be owed in the future pursuant to the revenue share provisions of the existing agreement. Stereotaxis and Biosense also agreed upon \$8 million of certain research and development expenses that are currently owed or may be owed in the future, including \$6.7 million due as of July 1 which will be deferred and will be due, together with any unrecouped portion of the \$10 million revenue share advance, on the final payment date. Outstanding revenue share advances and deferred research and development expenses and accrued interest thereon will be recouped by Biosense from time to time by deductions from revenue share amounts otherwise owed to the company from Biosense under the existing agreement. The two companies have also agreed to co-promote and expand Stereotaxis’ Odyssey Network, by granting Biosense Webster non-exclusive rights to use the Stereotaxis information management technology to provide its customers with clinical and technical support.

DPAC Technologies Reduces CEO's Salary

■ **DPAC Technologies Corp.**

Item No.: 1.01, 9.01 Amendment: —
Market: PNK State: CA
Date: 7/24/08 SIC No.: 3674

On July 18, 2008, DPAC Technologies Corp. agreed with its CEO, Mr. Runkel, to amend certain terms which govern his employment with the company. As previously disclosed, DPAC Technologies does not have a current written employment agreement with Runkel. Upon the expiration of the February 2006 agreement, Runkel and the company's compensation committee orally agreed that Runkel's employment with the company will continue under the same terms and conditions as the February 2006 agreement except that, effective in November 2006, his base salary was increased from \$210,000 to \$250,000 per year for 2007 and thereafter. The amendment agreed to by DPAC Technologies and Runkel on July 18 provides effective immediately a reduction in his total base salary from \$250,000 to \$200,000 annually. However, DPAC Technologies will pay to Runkel a quarterly bonus based on the achievement by the company of certain quarterly performance targets, measured by reference to the company's earnings before interest, taxes, depreciation and amortization ("EBITDA"). Runkel will receive a cash bonus of \$6,250 for quarterly company EBITDA of \$250,000, \$12,500 for EBITDA of \$375,000 and \$25,000 for EBITDA of \$500,000.

ArQule Replaces Chief Medical Officer

■ **ArQule, Inc.**

Item No.: 2.03, 5.02, 9.01 Amendment: —
Market: Nasdaq State: DE
Date: 7/24/08 SIC No.: 2834

ArQule, Inc. announced that it has hired Brian Schwartz, M.D. as its Chief Medical Officer replacing Dr. Nigel J. Rulewski, effective July 9, 2008. Dr. Rulewski agreed to assist the company during the management transition. In connection with his departure, Dr. Rulewski and ArQule entered into a separation agreement superseding the terms of his current employment agreement. Dr. Rulewski will resign effective as

of August 29. He will receive a lump sum separation payment of \$416,000, \$325,000 of which represents his current base salary through the end of the 12-month period commencing on the separation date and \$91,000 of which represents the average bonus paid with respect to calendar years 2006 and 2007. His estimated pro-rated bonus is \$75,840. The vesting period for his 162,500 options will change from November 29, 2008 to February 26, 2010. Dr. Rulewski will be eligible for continuation of certain group health benefits through August 31, 2009 and his outplacement services at a cost not to exceed \$20,000.

Toyota Motor Credit to Restate Recent Financials

■ **Toyota Motor Credit Corp.**

Item No.: 4.02 Amendment:—
Market:— State: CA
Date: 7/28/08 SIC No.: 6141

Toyota Motor Credit Corp. recently identified a non-cash error in its valuation for certain derivatives governed by Statement of Financial Accounting Standards No. 133, "Accounting for Debt Instruments and Hedging Activities" ("SFAS 133") that occurred in the third and fourth quarter of the fiscal year ended March 31 because the relationship of the derivatives' value to the related foreign currency debt values did not appear correctly. Upon further investigation, an error had been made in the recording the derivatives market values in a gain position as opposed to a loss position which resulted in an understatement of interest expense. The newly discovered valuation error is separate from the error identified in the previous restatement reflected in the Form 10-K/A filed on July 21. Toyota Motor Credit has performed additional procedures on its derivative portfolio and determined that the newly discovered error was confined to a single type of foreign exchange forward transaction. The newly discovered error, which originated in the quarter ended December 31, 2007, was not a result of misapplication of SFAS 133 but instead resulted from control deficiencies. Toyota Motor Credit will restate its consolidated financial statements for the fiscal year ended March 31, 2008 and its consolidated financial information for the third and fourth quarters in the fiscal year ended March 31, 2008.

Sample Menu

The following is a listing of select registration statements filed between July 21 and August 1, 2008 which have been flagged as containing an interesting transaction, offering, type of business or other items of interest. A sample description is provided, followed by issuer's counsel, form type, description of business or transaction, and the maximum offering price of the offering.

■ best efforts, minimum-maximum basis

Federal Trust Corp.
(8/1/2008)

Luse Gorman	savings & loan holding co.		
		S-1	\$47,500,000

Gateway Pacific Bancorp
(7/23/2008)

Luce Forward	bank holding co.		
		S-1	\$19,375,000

■ best efforts, no minimum

Solar Acquisition Corp.
(7/24/2008)

Jillian Sidoti	markets solar products & turnkey services		
		S-1	\$3,450,000

■ best efforts, self underwritten offering

DNA Systems, Inc.
(7/31/2008)

Frascona Joiner	development stage co. - event organizing services		
		S-1	\$100,000

Vufusion, Inc. (7/31/2008)

Robert A. Forrester, Esq.	advertising solutions for Internet & cell phone content providers		
		S-1	\$2,500,000

■ business development co.

HT Capital Corp.
(7/31/2008)

Bingham McCutchen	BDC - regulated investment co. focusing on U.S. hedge funds		
		N-2	\$300,000,000

■ combination Form S-4/Form S-1; exchange offer to effect reverse Morris Trust transaction

Folgers Coffee Co.
(7/22/2008)

Jones Day	exchange offer by Procter & Gamble Co.		
		S-4	\$2,803,181,209

■ direct public offering, minimum/maximum basis, initial public offering (IPO)

Earth Dragon Resources Inc. (7/30/2008)

Conrad C. Lysiak, Esq.	exploration stage co. - mineral properties		
		S-1	\$100,000

Sontera Design Inc.
(7/30/2008)

Conrad C. Lysiak, Esq.	website offering jewelry, embroidery, quilts & pillows		
		S-1	\$200,000

■ dividend reinvestment & limited direct stock purchase plan

Citigroup, Inc.
(7/22/2008)

Skadden Arps	dividend reinvestment & direct stock purchase plan		
		S-3D	\$1,487,500,000

■ exchange offer, notes issued by parent, guaranteed by certain subsidiaries

Pemex Project Funding Master Trust (7/23/2008)

Cleary Gottlieb	exchange offer		
		F-4	\$3,501,000,000

■ exchange offer; new notes for old notes

Inergy, L.P. (7/25/2008)

Vinson Elkins	exchange offer		
		S-4	\$200,000,000

■ exchange offer; old debt issued to finance going-private LBO leveraged buyout transaction

Ceridian Corp.
(7/30/2008)

Weil Gotshal	exchange offer		
		S-4	\$1,300,000,000

■ initial public offering (IPO) in connection with reorganization of limited liability company/L.L.C.

First Wind Holdings Inc.
(7/31/2008)

Vinson Elkins	independent North American wind energy co.	S-4	\$57,903,750
<ul style="list-style-type: none"> ■ merger, spin-off of target in separate transaction prior to merger 			
		J.M. Smucker Co. (7/22/2008)	
		Calfee Halter	merger of sub. w/ Folger Coffee Co. after Folger spin-off
		S-4	\$2,803,181,209
<ul style="list-style-type: none"> ■ merger; reverse triangular, equity for equity, purchase method of accounting 			
		Republic Services, Inc. (8/1/2008)	
		Akerman Senterfitt	merger of sub. w/Allied Waste Industries, Inc.
		S-4	\$6,940,343,832
<ul style="list-style-type: none"> ■ merger of equals, fixed exchange ratio, purchase method of accounting 			
		Security With Advanced Technology, Inc. (7/30/2008)	
		Morrison Foerster	merger of sub. w/ PepperBall Technologies, Inc.
		S-4	\$10,016
<ul style="list-style-type: none"> ■ offer to purchase, cash and/or equity payment, both cos. are Canadian 			
		Kinross Gold Corp. (7/28/2008)	
		Osler Hoskin	offer to purchase common shares of Aurelian Resources Inc.
		F-8	\$65,158,659
<ul style="list-style-type: none"> ■ registration of additional shares pursuant to Rule 462(b) of 1933 Act 			
		Homeowners Choice, Inc. (7/24/2008)	
		Foley Lardner	property and casualty insurance holding co.
		S-1MEF	\$2,100,000
<ul style="list-style-type: none"> ■ merger, cash & contingent value rights (CVRs) 			
		Meadowbrook Insurance Group, Inc. (7/25/2008)	
		Howard Howard	holding co.-alternative market insurance
		S-4MEF	\$140,364,791
<ul style="list-style-type: none"> ■ shelf of common 			
		Peerless Mfg. Co. (7/23/2008)	
		Jones Day	contaminant removal selective catalytic reduction (SCR) systems
		S-3	\$81,240,000
<ul style="list-style-type: none"> ■ merger, cash election subject to proration, reverse triangular w/termination fee 			
		First Place Financial Corp./DE (7/31/2008)	
		Patton Boggs	merger w/Camco Financial Corp.

■ **shelf of common & debt to be issued by the company/registrant**

Northrop Grumman Corp./
DE/ (7/29/2008)

Sheppard Mullin aerospace & defense co.
S-3ASR \$0

■ **shelf of common & warrants to be issued by the company/registrant**

LJ Intl., Inc. (7/22/2008)

Andrew N. Bernstein, P.C. semi-precious cut gemstones
design & jewelry manufacture
F-3 \$100,000,000

■ **shelf of common for future acquisitions**

Arthur J. Gallagher Co.
(8/1/2008)

Harter Secrest risk management & insurance-
related services provider
S-4 \$251,250,000

■ **shelf of common to be issued by the company/registrant**

Incyte Corp. (7/29/2008)

Pillsbury Winthrop genomic database products &
services provider
S-3ASR \$0

■ **shelf of common to be issued by the company/registrant; self-underwritten; best efforts**

Cape Cod Aquaculture
Corp. (7/28/2008)

--- cultivation & sales of oysters
S-1 \$30,000

■ **shelf of common to public, partial & partial offering to dividend reinvestment plan participants**

CB Richard Ellis Realty
Trust (7/30/2008)

Clifford Chance REIT-office, retail, industrial &
residential properties
S-11 \$3,000,000,000

■ **shelf of common upon redemption of exchangeable shares of registrant subsidiary**

lululemon athletica inc.
(7/31/2008)

DLA Piper designers and retailers of
technical athletic apparel
S-3 \$515,211,359

lululemon athletica inc.
(8/1/2008)

DLA Piper designers and retailers of
technical athletic apparel
S-3ASR \$515,211,359

■ **shelf of common, preferred & warrants**

Curis, Inc. (7/29/2008)

Wilmer Cutler discovery & development of
drugs for cancer treatment
S-3 \$50,000,000

IA Global, Inc.
(7/29/2008)

Arnold Porter holding co.-entertainment &
technology cos.
S-3 \$5,000,000

■ **shelf of common, preferred, warrants & units**

Integra Bank Corp.
(7/30/2008)

Baker Daniels bank holding co.
S-3 \$100,000,000

■ **shelf of debt securities**

European Investment Bank
(7/30/2008)

Cravath Swaine finance institution for member
states of the European Union
(EU)
S-B \$15,000,000,000

■ **spin-off distribution of subsidiary; separation of public parent into multiple cos.**

HSN, Inc. (8/1/2008)

Wachtell Lipton spin-off distribution to
shareholders of IAC/
InterActiveCorp.
S-1 \$2,986,371

Interval Leisure Group,
Inc. (8/1/2008)

Wachtell Lipton spin-off distribution to
shareholders of IAC/
InterActiveCorp.
S-1 \$507,549

Ticketmaster (8/1/2008)

Wachtell Lipton spin-off distribution to
shareholders of IAC/
InterActiveCorp.
S-1 \$2,048,518

Tree.com, Inc. (8/1/2008)

Wachtell Lipton spin-off distribution to
shareholders of IAC/
InterActiveCorp.
S-1 \$244,545

■ **subscription rights offering**

T Bancshares, Inc.
(7/30/2008)

Hunton Williams subscription rights offering
S-1 **\$8,017,890**

■ **subscription rights offering w/ non-transferable rights & over-subscription privilege**

1st United Bancorp, Inc.
(7/29/2008)

Gunster Yoakley subscription rights offering
S-1 **\$11,700,000**

■ **subscription rights offering w/standby purchase agreement; transferable rights**

ViRexx Medical Corp.
(7/24/2008)

Parlee McLaws LLP subscription rights offering
F-7 **\$3,269,328**

■ **two forms of prospectus for concurrent offers in U.S. and Canada**

Westport Innovations Inc.
(7/22/2008)

Dorsey Whitney commercial natural gas engines
F-10 **\$67,999,500**

■ **universal shelf w/ sale of capital securities by Delaware business trust sub(s).**

BBT Corp. (7/25/2008)

--- financial holding co.
S-3ASR **\$0**

Gateway Financial Holdings, Inc. (7/21/2008)

Williams Mullen holding co. for North Carolina-chartered commercial bank
S-3 **\$50,000,000**

■ **universal shelf w/ sale of preferred by Delaware business trust sub(s).**

Northern Trust Corp.
(7/31/2008)

Schiff Hardin bank holding co.
S-3ASR **\$0**



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