In This Issue

Bank & Thrift Regulatory Update
Fed Proposes Rule to Require Large BHCs to Submit Annual Capital Plans ................................................................. 1
Agencies Propose Supervisory Guidance for Stress Testing .......... 1
Agencies Extend Comment Period for Proposed Rule on Credit Risk Retention .......................................................... 2
Agencies Release Supervisory Guidance on Risk-Based Capital for Operational Risk under the Advanced Management Approaches .... 2
BIS Deputy General Manager Speaks about the Role of Deposit Insurance in Financial Crises.............................................. 3

Enterprise & Consumer Compliance
OCC Proposes Supervisory Guidance on Principals Associated with Deposit-Related Consumer Credit Products .................. 4
Treasury Releases May 2010 Housing Scorecard.......................... 5

Securities & Investment Management Regulatory Update
SEC Cautions Investors about “Reverse Mergers”; Suspends Trading in Microcap Stocks with Limited Public Information ....... 6
SEC Proposes Rules for Clearing Agency Exemptions; Outlines Expectations for Title VII Effective Date ........................................ 7

Insurance Regulatory Update
IAIS Establishes Supervisory Forum; U.S. Representative to Serve as Chairman ................................................................. 7

Recent Supervisory Actions
Bank & Thrift

Fed Proposes Rule to Require Large BHCs to Submit Annual Capital Plans

The Federal Reserve Board (“Fed”) approved a proposed rule on June 10 that would require U.S. bank holding companies (“BHCs”) with total consolidated assets of $50 billion or more to submit an annual capital plan to the Fed for review and to provide prior notice, under certain circumstances, before making a capital distribution. Comments on the proposed rule are requested no later than August 5, 2011.

The Fed states that the purpose of the proposed capital plan review is to ensure that institutions have robust, forward-looking capital planning processes that account for their unique risks and that permit continued operations during times of economic and financial stress. The level of detail and analysis expected in each capital plan would vary based on the BHC’s size, complexity, risk profile, and scope of operations. Institutions would be expected to have credible plans and sufficient capital so that they can continue to lend to households and businesses, even under adverse conditions. Boards of directors would be required to review and approve the capital plans each year before submission to the Fed.

Under the proposed rule, the Fed would evaluate an institution’s plan to make capital distributions, such as increasing dividend payments or repurchasing or redeeming stock, as part of the capital plan review. In some cases, a firm would be required to receive approval from the Fed before making capital distributions.

The proposed rule is based on the Fed’s Comprehensive Capital Analysis and Review (“CCAR”), which was conducted earlier in 2011 and involved a forward-looking analysis of the capital plans at the 19 largest U.S. bank holding companies. The CCAR followed the Supervisory Capital Assessment Program (“SCAP”), a standardized stress test led by the Fed in 2009. The Fed expects to finalize the proposed rule later in 2011 and to begin annual capital plan reviews in early 2012. Further, going forward, BHCs would be required to incorporate into their capital plans any requirements related to capital that the Fed finalizes pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, such as the results of stress tests or early remediation requirements.

For additional information please contact Hugh Kelly, Principal: hckelly@kpmg.com or Jon Greenlee, Managing Director: jdgreenlee@kpmg.com.

Agencies Propose Supervisory Guidance for Stress-Testing

The Federal Reserve Board (“Fed”), Office of the Comptroller of the Currency (“OCC”) and Federal Deposit Insurance Corporation (“FDIC”) (collectively, the “Agencies”) jointly released proposed supervisory guidance on June 9 that addresses stress-testing practices at banking organizations.
As proposed, the guidance is directed at those banking organizations supervised by the Agencies that have total consolidated assets of more than $10 billion. For the Fed, the guidance would be applicable to state member banks, bank holding companies, and all other institutions for which the Federal Reserve is the primary federal supervisor. For the OCC, it would apply to national banking associations and Federal branches and agencies and for the FDIC, the proposed guidance would be applicable to state nonmember insured banks or insured branches of foreign banks.

The proposed guidance provides an overview of how an organization should develop a structure for stress testing and builds on the Agencies’ previously issued supervisory guidance that discusses the uses and merits of stress testing in specific areas of risk management. The guidance outlines general principles for a satisfactory stress testing framework and describes how stress testing should be used at various levels within an organization. The guidance also discusses the importance of stress testing in capital and liquidity planning, and the importance of strong internal governance and controls in an effective stress-testing framework.

The proposed guidance does not explicitly address the stress testing requirements imposed upon certain companies by section 165 (i) of the Dodd-Frank Wall Street Reform and Consumer Protection Act though the Agencies indicate they expect to implement those provisions in a future rulemaking that would be consistent with the principles in this proposed guidance.

Comments are requested no later than July 29, 2011.

For additional information please contact Hugh Kelly, Principal: hckelly@kpmg.com or Jon Greenlee, Managing Director: jdgreenlee@kpmg.com.

Agencies Extend Comment Period for Proposed Rule on Credit Risk Retention

Six Federal agencies (Federal Reserve Board, Office of the Comptroller of the Currency, Federal Deposit Insurance Corporation, Securities and Exchange Commission, Federal Housing Finance Agency, and Department of Housing and Urban Development) jointly approved an extension of the comment period for their jointly proposed rule to implement Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which imposes credit risk retention requirements on securitizers of asset-backed securities. The comment period was extended from June 10, 2011 to August 1, 2011.

For more information, please contact Hugh Kelly, Principal: hckelly@kpmg.com or David Stone, Senior Manager: dstone2@kpmg.com

Agencies Release Supervisory Guidance on Risk-Based Capital for Operational Risk under the Advanced Management Approaches

The Federal Deposit Insurance Corporation (“FDIC”) released Financial Institution Letter 41-2011 on June 3 to issue supervisory guidance prepared jointly by the FDIC, Federal Reserve Board, Office of the Comptroller of the Currency and Office of Thrift Supervision (collectively, the “Agencies”) that is intended to clarify the Agencies’ expectations regarding, and to highlight key considerations for, implementing an effective advanced measurement approach (“AMA”) framework. The AMA framework is used to calculate risk-based capital requirements for operational risk under the Agencies’ Basel II risk-based capital requirements for large, internationally active banking organizations.
The guidance focuses on the combination and use of the four required AMA data elements: internal operational loss event data, external operational loss event data, scenario analysis and business environment and internal control factors (“BEICFs”). Governance and validation are also discussed.

The FDIC summarizes the guidance as follows:

- An effective AMA management framework requires effective governance, risk capture and assessment, and quantification of operational risk exposure. Verification and validation of the advanced systems, including the data elements and quantification models, are critical to the integrity of the AMA framework.
- Banks should institute operational risk data and assessment systems that capture the operational risks to which the firm is exposed. These systems must include credible, transparent, systematic, and verifiable processes that incorporate the four required AMA data elements.
  1. *Internal operational loss event data* – Banks should use at least five years of data, support collection thresholds, and include legal losses in the quantification process no later than the date the legal reserve is established.
  2. *External operational loss event data* – Banks should have sound practices for sourcing, selecting, scaling, and modeling of external data.
  3. *Scenario analysis* – To ensure integrity of the process, banks should have a process that is clearly defined, repeatable, and transparent.
  4. *BEICFs* – Banks should have sound practices to ensure a systematic assessment of risk across the organization.
- To ensure credible estimates of operational risk exposure, the risk quantification system must include a credible, transparent, systematic, and verifiable approach for weighting each of the four data elements.

For more information, please contact Hugh Kelly, Principal: hckelly@kpmg.com or Paul Cardon, Manager: pcardon@kpmg.com.

**BIS Deputy General Manager Speaks about The Role of Deposit Insurance in Financial Crises**

Mr. Harve Hannoun, Deputy General Manager of the Bank for International Settlements (“BIS”) spoke before the International Association of Deposit Insurers (“IADS”) on June 8. Mr. Hannoun’s remarks were focused on the role of deposit insurers in financial crises.

Mr. Hannoun observed that along with supervision and resolution, deposit insurance is one of the three key elements that form the financial safety net. He noted, however, that there were more than 130 deposit insurance schemes worldwide with great diversity in their insurance arrangements. Yet despite the diversity in practices and authorities, there is a “common underpinning” to all of the models – the existence of deposit insurance provides depositors with clarity, reassurance and confidence and thereby promotes financial stability in addition to facilitating the orderly payment of claims to depositors. Mr. Hannoun then structured his remarks around the following concepts, which he said all of the deposit insurers shared:

- Deposit insurance forms an integral part of the global financial stability framework.
- Deposit insurers play an important role in supporting a “back to basics” approach to banking supervision.
- Deposit insurers are key actors in bank crisis management and in bank resolution.
Mr. Hannoun then turned to the issue of cross-border resolutions of systemically important financial institutions ("SIFIs") referring to the March 2010 recommendations of the BIS’ Basel Committee on Banking Supervision for effective cross-border bank resolution, which included among others, recommendations for:

- Prompt payments to insured depositors as a necessary feature of an effective resolution regime; and
- National authorities to seek convergence of national resolution tools and measures including deposit insurance systems.

Based on a Basel Committee survey to assess progress in the implementation of these recommendations, Mr. Hannoun said that although much work had been done, a renewed focus by national authorities on accelerating reforms is needed, especially in the cross-border context, including deposit insurance. A report detailing the results of the survey is expected to be released this summer.

For more information, please contact Hugh Kelly, Principal: hckelly@kpmg.com or Bill Canellis, Manager: wcanellis@kpmg.com.

Enterprise & Consumer Compliance

OCC Proposes Supervisory Guidance on Principals Associated with Deposit-Related Consumer Credit Products

The Office of the Comptroller of the Currency ("OCC") published proposed supervisory guidance on June 8 that addresses deposit-related consumer credit products. Comments are requested by July 8, 2011.

The proposed guidance is intended to clarify the OCC’s application of principles of safe and sound banking practices in connection with deposit-related consumer credit products such as automated overdraft protection and direct deposit advance programs. National banks will be expected to follow these principals in connection with any deposit-related consumer credit product they offer in order to address potential operational, reputational, compliance, and credit risks. The principals include:

- **Disclosure** — Customers should be provided clear and conspicuous disclosures prior to enrollment, consistent with applicable law, about program costs, terms, and material limitations before they are provided a deposit-related credit product. Customers also should be provided information about alternative deposit-related credit products, if any, offered by the bank.
- **Legal compliance** — Any deposit-related credit product, and the manner in which it is offered or marketed, must comply with applicable law, including the prohibition against unfair and deceptive practices in the Federal Trade Commission Act.
• **Affirmative request**—Customers should not be automatically enrolled in programs for deposit-related credit products. Enrollment should occur only after the customer has received appropriate disclosures, has made an affirmative request for the product, and has agreed to abide by product terms, including associated fees. Before approving the customer for the product, the bank should have sufficient information about the customer to evaluate that the customer meets the bank’s eligibility standards for the product. Account materials and marketing should not mislead customers about the optional nature of the product or otherwise promote routine use or undue reliance on deposit-related credit products.

• **Program availability and prudent eligibility standards**—Policies and procedures should set forth the eligibility criteria that must be met by a depositor to obtain the deposit-related credit product. An appropriate degree of analysis should be conducted before the request is approved to determine whether the customer will be able to manage and repay the credit obligations arising from the product appropriately.

• **Prudent limitations on product costs and usage**—Deposit-related credit products should be subject to prudent limitations on credit extensions, customer costs, and usage. Fees should be based on safe and sound banking principles, and take into account other appropriate factors including reputation and strategic risks to the bank.

• **Monitoring and risk assessments**—The volume of, and revenue from, deposit-related credit products and changes in customer usage should be regularly monitored to identify risks. Appropriate action should be taken to address any risks that are identified including excessive usage and nonperformance, such as reassessing a customer’s creditworthiness; adjusting credit terms, fees, or limits; suspending or terminating the credit feature; or closing accounts.

• **Management oversight**—Bank management should exercise appropriate oversight of new products and services, through receipt and review of regular reports on product usage, fee income, and legal compliance, and through periodic audits. Appropriate oversight includes monitoring of third-party vendors that provide services related to the product. Bank management should be vigilant in assuring adherence to these principles and should take immediate steps to address noncompliance and reputation risks.

• **Account management and charge-offs**—Applicable guidelines on account management and charge-offs of uncollectible balances also should be followed.

The OCC expects the proposed guidance, when finalized, will apply to Federal savings association once the OCC has assumed responsibility for all ongoing examination, supervision, and regulation of these entities.

For more information, contact Linda Gallagher, Principal: lgallagher@kpmg.com, or Kari Greathouse, Director: cgreathouse@kmg.com.

**Treasury Releases May 2010 Housing Scorecard**

The Department of the Treasury released its Housing Scorecard for May 2011 on June 9. The current edition contains a new feature that details assessments of the 10 largest mortgage servicers participating in the Administration’s Making Home Affordable Program. The Treasury considers these assessments to be a new industry benchmark for disclosure on servicer assistance to struggling homeowners and adds that the assessments disclosures are intended to prompt mortgage servicers to “correct identified deficiencies to improve program implementation and more effectively reach eligible homeowners.” Going forward, this information will be included in the Housing Scorecard on a quarterly basis.
Through April 2011, the Housing Scorecard reports that nearly 700,000 homeowners have received permanent modifications under the Home Affordable Modification Program, which is part of the Administration’s Making Home Affordable Program.

For more information, contact Linda Gallagher, Principal: lgallagher@kpmg.com or Kari Greathouse, Director: cgreathouse@kpmg.com.

Securities & Investment Management

SEC Cautions Investors about “Reverse Mergers”; Suspends Trading in Microcap Stocks with Limited Public Information


Reverse mergers permit private companies, including those located outside the U.S., to access U.S. investors and markets by merging with an existing public shell company. The Investor Bulletin explains the reverse merger process, describes the potential risks of investing in reverse merger companies, and details some of the recent enforcement actions that the agency has brought against reverse merger companies.

As part of the press statement, the SEC noted that it recently suspended trading in “more than a dozen reverse merger companies, citing a lack of current, accurate information about these firms and their finances.”

In a separate action earlier in the week, the SEC announced that it had temporary suspended trading in 17 microcap stocks between June 7 and June 20 based on questions about the adequacy and accuracy of publicly available information about the companies (including their assets, business operations, current financial condition and/or issuances of shares in company stock) and related promotional/marketing campaigns that resulted in spikes in the companies’ share prices and trading volumes. The suspensions were based on the combined efforts of various SEC regional offices, the SEC Office of Market Intelligence and the SEC’s new Microcap Fraud Working Group. All of the stocks were all traded on the over-the-counter market.

In the press statement, Robert Khuzami, Director of the SEC’s Division of Enforcement, explained that the Microcap Fraud Working Group is “targeting insiders and promoters, as well as the transfer agents, attorneys, auditors, broker-dealers, and other “gatekeepers” who flourish in the shadows of this less-than-transparent market.”

For more information, contact Doug Henderson, Managing Director: douglashenderson@kpmg.com or Dan McIsaac, Director: dmcisaac@kpmg.com.
SEC Proposes Rules for Clearing Agency Exemptions; Outlines Expectations for Title VII Effective Date

The Securities and Exchange Commission ("SEC" or "Commission") approved proposed rules on June 10 that would provide exemptions from the Securities Act of 1933, the Securities Exchange Act of 1934 and the Trust Indenture Act of 1939 for security-based swaps issued by certain clearing agencies satisfying certain conditions. In particular, the proposed rules would exempt transactions by clearing agencies in these security-based swaps from all provisions of the Securities Act except the Section 17(a) anti-fraud provisions, as well as exempt these security-based swaps from Exchange Act registration requirements and from the provisions of the Trust Indenture Act, provided certain conditions are met.

Comments are requested no later than July 25, 2011.

Also on June 10, the SEC released a statement to indicate the steps it intends to take to clarify the requirements that will apply to security-based swap transactions as of July 16, 2011. On that date, Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), which authorizes the SEC to regulate “security-based swaps”, will become effective. In anticipation of the effective date, the SEC states that it will:

- Provide guidance regarding which provisions of Title VII will become operable as of July 16, and, where appropriate, provide temporary relief from several of these provisions.
- Provide guidance regarding – and where appropriate, temporary relief from – the various pre-Dodd-Frank Act provisions of the Exchange Act that would otherwise apply to security-based swaps on July 16.
- Take other actions such as extending existing temporary rules under the Securities Act, the Exchange Act, and the Trust Indenture Act, and extending existing temporary relief from exchange registration under the Exchange Act.

After proposing all of the key rules under Title VII, the SEC states that it intends to consider publishing a detailed implementation plan in order to enable the Commission to move forward expeditiously with the roll-out of the new securities-based swap requirements in the most efficient manner, while minimizing unnecessary disruption and costs to the markets.

For more information, contact Doug Henderson, Managing Director: douglashenderson@kpmg.com or Dan McIsaac, Director: dmcisaac@kpmg.com.

Insurance

IAIS Establishes Supervisory Forum; U.S. Representative to Serve as Chairman

The International Association of Insurance Supervisors (“IAIS”) announced on June 9 that its Executive Committee had established a Supervisory Forum as part of the IAIS’ efforts to strengthen the effectiveness of insurance supervision and to foster convergence of supervisory practices.
The new Supervisory Forum is intended to provide a platform for insurance supervisors to exchange experiences with supervisory practices with a focus on large insurers and insurance groups. In addition, the new Supervisory Forum will promote:

- Discussion of existing and emerging trends and risks;
- The sharing of ideas and experience between supervisors on supervisory methodologies that are applied in practice; and
- Evaluation of the potential impact of macroeconomic scenarios on large or complex insurers and insurance groups.

The new Supervisory Forum will be chaired by Steven Ferguson, Assistant Director of the Arizona Financial Affairs Division, who was selected in March 2011 by the National Association of Insurance Commissioners (“NAIC”) to be the U.S. Representative to the International Supervisory Forum.

For more information, contact David Sherwood: Head of Insurance Regulatory: dsherwood@kpmg.com or Lisa Stimson, Director: lstimson@kpmg.com
## Recent Supervisory Actions against Financial Institutions

Last Updated: June 13, 2011

<table>
<thead>
<tr>
<th>Agency</th>
<th>Institution Type</th>
<th>Action</th>
<th>Date</th>
<th>Synopsis of Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Reserve Board</td>
<td>Bank Holding Company</td>
<td>Written Agreement</td>
<td>06/09</td>
<td>The Federal Reserve Board entered into a Written Agreement with a North Dakota bank holding company that addressed dividends, distributions and other payments as well as debt and stock redemptions to ensure that it serves as a source of strength for its state nonmember bank and nonbank subsidiaries.</td>
</tr>
<tr>
<td>Federal Reserve Board</td>
<td>Bank Holding Company</td>
<td>Written Agreement</td>
<td>06/02</td>
<td>The Federal Reserve Board entered into a Written Agreement with a Georgia bank holding company that addressed dividends and distributions and debt and stock redemptions to ensure that it serves as a source of strength for its state nonmember bank and nonbank subsidiaries.</td>
</tr>
<tr>
<td>Federal Reserve Board</td>
<td>Bank Holding Company</td>
<td>Written Agreement</td>
<td>05/31</td>
<td>The Federal Reserve Board entered into a Written Agreement with a Georgia bank holding company that addressed dividends and distributions and debt and stock redemptions to ensure that it serves as a source of strength for its state nonmember bank and nonbank subsidiaries.</td>
</tr>
<tr>
<td>Federal Reserve Board</td>
<td>State Member Bank</td>
<td>Civil Money Penalty</td>
<td>05/31</td>
<td>The Federal Reserve Board issued an Order of Assessment of Civil Money Penalty against a Texas State member bank for violations of the National Flood Insurance Act.</td>
</tr>
<tr>
<td>Federal Reserve Board</td>
<td>Bank Holding Company</td>
<td>Written Agreement</td>
<td>05/26</td>
<td>The Federal Reserve Board entered into a Written Agreement with an Illinois bank holding company that addressed dividends and distributions and debt and stock redemptions to ensure that it serves as a source of strength for its state nonmember bank and nonbank subsidiaries.</td>
</tr>
<tr>
<td>Federal Reserve Board</td>
<td>Bank Holding Company, State Member Bank</td>
<td>Written Agreement</td>
<td>05/26</td>
<td>The Federal Reserve Board entered into a Written Agreement with a North Carolina bank holding company and its state member bank subsidiary to address deficiencies related to board oversight, credit risk management, lending and credit administration, appraisal program, loan grading and loan review, asset improvement, allowance for loan and lease losses, capital, dividends and distributions and debt and stock redemptions.</td>
</tr>
<tr>
<td>Federal Reserve Board</td>
<td>Bank Holding Company</td>
<td>Written Agreement</td>
<td>05/26</td>
<td>The Federal Reserve Board entered into a Written Agreement with a Texas bank holding company that addressed dividends and distributions, debt and stock redemptions and capital to ensure that it serves as a source of strength for its state nonmember bank and nonbank subsidiaries.</td>
</tr>
<tr>
<td>Federal Reserve Board</td>
<td>Bank Holding Company</td>
<td>Written Agreement</td>
<td>05/26</td>
<td>The Federal Reserve Board entered into a Written Agreement with a South Carolina bank holding company that addressed dividends and distributions and debt and stock redemptions to ensure that it serves as a source of strength for its national bank and nonbank subsidiaries.</td>
</tr>
<tr>
<td>Federal Reserve Board</td>
<td>Bank Holding Company</td>
<td>Written Agreement</td>
<td>05/12</td>
<td>The Federal Reserve Board entered into a Written Agreement with a Minnesota bank holding company that addressed dividends and distributions and debt and stock redemptions to ensure that it serves as a source of strength for its state nonmember bank and nonbank subsidiaries.</td>
</tr>
</tbody>
</table>


**Contact Us**

This is a publication of KPMG’s Financial Services Regulatory Practice

Linda Gallagher, National Leader, Financial Services Regulatory Practice  
Jon Greenlee, Managing Director, Bank Regulatory  
Douglas Henderson, Managing Director, Broker-Dealer Regulatory  
Hugh Kelly, Principal, Bank Regulatory  
Amy Matsuo, Principal, Enterprise & Consumer Compliance  
John Schneider, Principal, Investment Management Regulatory  
David Sherwood, Insurance Regulatory

**Earlier editions are available at:**  

---

**Asset Management, Trust, and Fiduciary**  
Bill Canellis  
T: 973.912.4817

**Cross-Border Regulation**  
Jon Greenlee  
T: 703.286.8032  
Hugh Kelly  
T: 202.533.5200  
Craig Stirnweis  
T: 212.872.5960

**Bank Regulatory Reporting**  
Francis Gomez  
T: 212.872.5662  
Chris Monks  
T: 617.988.1718  
Brett Wright  
T: 901.249.3809

**Foreign Banking Organizations**  
Francis Gomez  
T: 212.872.5662  
Hugh Kelly  
T: 202.533.5200  
Craig Stirnweis  
T: 212.872.5960

**Broker-Dealer Regulation**  
Lucia Baraybar  
T: 212.872.6477  
Stefan Cooper  
T: 856.417.6799  
Doug Henderson  
T: 212.872.6687  
Dan McIsaac  
T: 212.954.5973

**Insurance**  
David Sherwood  
T: 212.954.5861  
Lisa Stimson  
T: 860.297.6059

**Capital/Basel II and III**  
Bill Canellis  
T: 973.912.4817  
Jon Greenlee  
T: 703.286.8032  
Hugh Kelly  
T: 202.533.5200  
Greg Matthews  
T: 212.954.7784

**Investment Management Regulation**  
John Schneider  
T: 617.988.1000

**Commodities and Futures Regulation**  
Dan McIsaac  
T: 212.954.5973

**Privacy & Identity Theft**  
Linda Gallagher  
T: 703.286.8248  
Kari Greathouse  
T: 636.587.2844

**Safety & Soundness, Corporate Licensing & Governance, and ERM Regulation**  
Paul Cardon  
T: 617.988.1282  
Jon Greenlee  
T: 703.286.8032  
Hugh Kelly  
T: 202.533.5200  
Greg Matthews  
T: 212.954.7784  
Craig Stirnweis  
T: 214.840.6866

---

ALL INFORMATION PROVIDED HERE IS OF A GENERAL NATURE AND IS NOT INTENDED TO ADDRESS THE CIRCUMSTANCES OF ANY PARTICULAR INDIVIDUAL OR ENTITY. ALTHOUGH WE ENDEAVOR TO PROVIDE ACCURATE AND TIMELY INFORMATION, THERE CAN BE NO GUARANTEE THAT SUCH INFORMATION IS ACCURATE AS OF THE DATE IT IS RECEIVED OR THAT IT WILL CONTINUE TO BE ACCURATE IN THE FUTURE. NO ONE SHOULD ACT UPON SUCH INFORMATION WITHOUT APPROPRIATE PROFESSIONAL ADVICE AFTER A THOROUGH EXAMINATION OF THE FACTS OF THE PARTICULAR SITUATION.

© 2011 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved. The KPMG name, logo and “cutting through complexity” are registered trademarks or trademarks of KPMG International. KPMG International’s member firms have 140,000 professionals, including more than 7,900 partners, in 146 countries. Printed in the U.S.A. All rights reserved. 33323WDC.