



SUBJECT: Notice of Commission's adoption of the NASAA Resolution on Executive Compensation

On October 23, 2007, the Pennsylvania Securities Commission ("Commission") adopted the following North American Securities Administrators Association Resolution on Executive Compensation. The Commission's Division of Corporation Finance will consider this Resolution in reviewing applications to register securities for sale in the Commonwealth of Pennsylvania.

WHEREAS the North American Securities Administrators Association ("NASAA") is the oldest international member organization devoted to investor protection. Its membership consists of the securities administrators of the 50 US States, the provinces and territories of Canada, Mexico, Puerto Rico, the District of Columbia, and the US Virgin Islands;

WHEREAS The role of state securities regulators continues to grow in importance as increasing numbers of Americans rely on the securities markets to prepare for their financial futures, including planning for retirement and paying for college educations;

WHEREAS each state securities administrator shares the common goal of protecting citizens from investment fraud and abuse;

WHEREAS the disclosures of material facts and circumstances as a condition to registering securities helps protect investors from fraud and abuse by providing them more information upon which to make their investing decisions;

WHEREAS certain facts surrounding the compensation paid to the chief executive officer and other highly compensated executives, as well as the employment of compensation consultants, may be material;

BE IT RESOLVED that NASAA encourages the disclosure of executive compensation plan such as the following in a public offering:

- A. The issuer's current compensation plan concerning the amount and kind of compensation paid to the chief executive officer and each of the four other highest compensated executives;
- B. The process by which such executive compensation plan is set, including who determines the amount and type of compensation, whether a consultant is employed by the issuer to assist in establishing or evaluating the plan, and when and how the amount of compensation can be changed;
- C. Any potential conflicts of interest between those who set, approve, or advise on the issuer's executive compensation plan, and those five executives who are compensated pursuant to the plan; and
- D. Bylaw provisions governing the shareholders' ability to review and approve/reject changes to the issuer's executive compensation plan, including increases in the amount of executive compensation.