Paul|Weiss

December 12, 2007

SEC Adopts Amendments to Rules 144 and 145

The SEC has adopted significant amendments to Rules 144 and 145. In brief, the amendments do the following:

- reduce the holding period for resales of restricted securities of reporting companies from one year to six months (the holding period for securities of non-reporting companies will remain one year);
- substantially reduce the Rule 144 requirements for non-affiliates so that they can resell restricted securities freely after the holding period, subject to no other Rule 144 limitations except that the current public information requirement would remain for one year from the acquisition of the restricted securities;
- amend the "manner of sale" requirements with respect to equity securities and eliminate them with respect to debt securities;
- provide an alternative method for determining the volume limitations for debt securities;
- increase the Form 144 filing thresholds;
- codify certain SEC Staff positions regarding Rule 144;
- simplify the Preliminary Note to Rule 144 and the text of Rule 144; and
- eliminate Rule 145's presumed underwriter provisions except for transactions involving shell companies and revise the Rule 145(d) resale requirements to conform to certain amendments to Rule 144.

A table that briefly summarizes the conditions applicable to the resale of restricted securities held by affiliates and non-affiliates is attached as Appendix A.

Citing concerns raised by commenters that monitoring hedging activity with regard to restricted securities would make compliance with Rule 144 extremely difficult, the SEC did not adopt proposed amendments to Rule 144 that that would have tolled the holding period for restricted securities while a securityholder had a short position or entered into a put equivalent position with respect to the restricted security.

1285 Avenue of the Americas
New York, New York 10019-6064
(212) 373-3000

1615 L Street, NW
Washington, DC 20036-5694
(202) 223-7300

Alder Castle, 10 Noble Street
London EC2V 7JU England
(44-20) 7367 1600

Fukoku Seimei Building 2nd Floor
2-2, Uchisawaicho 2-chome
Chiyoda-ku, Tokyo 100-001, Japan
(81-3) 3597-8101

Unit 3601, Fortune Plaza Office Tower A
No. 7 Dong Sanhuan Zhonglu
Chao Yang District, Beijing 100020
People's Republic of China
(86-10) 5828-6300

12th Fl., Hong Kong Club Building
3A Chater Road, Central
Hong Kong
(852) 2536-9933

In addition, the SEC determined that the proposals regarding the coordination of Form 144 filing requirements under Rule 144(h) with the Form 4 filing requirements of Section 16(a) of the Exchange Act requires further consideration. The SEC therefore did not take action on this question and will continue to solicit comment on how to coordinate the two forms.

The amendments to Rules 144 and 145 will become effective 60 days after publication in the *Federal Register* and will be applicable to securities acquired before and after the effective date of the amendments.

I. Operation of Rule 144 Prior to the Adoption of the Amendments

Rule 144 regulates the resale of restricted securities[*] and control securities.[†] Under Rule 144, a selling securityholder is deemed not to be engaged in a distribution of securities and therefore not an underwriter with respect to such securities, thus making available the Section 4(1) exemption from registration, if the resale meets certain criteria. Prior to the adoption of the amendments, if the securityholder was an affiliate of the issuer or a non-affiliate that held the restricted securities for less than two years, these criteria included the following:

- the availability of adequate current public information about the issuer in accordance with Rule 144(c);
- if the securities being sold were restricted securities, the selling securityholder must have held the security for the one-year holding period specified in Rule 144(d);
- compliance with the volume limitations set forth in Rule 144(e);
- compliance with the manner of sale conditions set forth in Rules 144(f) and (g); and
- the filing of a Form 144 in accordance with Rule 144(h).

Prior to the adoption of the amendments, a non-affiliate was able to publicly resell restricted securities without being subject to the above limitations if he or she had held the securities for two years and at the time of sale he or she was not, and for the three months prior to the sale had not been, an affiliate of the issuer.

---

[*] "Restricted securities" are securities acquired in certain private securities offerings pursuant to exemptions from the registration requirements of the Securities Act.

[†] Although it is not defined in Rule 144, the term "control securities" is commonly used to refer to securities held by an affiliate of the issuer, regardless of how the affiliate acquired the securities (i.e., including open-market purchase).

II. Significant Shortening of Holding Period Requirement of Rule 144(d)

Under the amendments to Rule 144, both affiliates and non-affiliates are permitted to resell restricted securities of companies that are and have been subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act for at least 90 days prior to the resale (referred to as "reporting companies") after holding the restricted securities for six months, subject to other applicable conditions of Rule 144.

The changes to the holding period are intended to serve the fundamental purpose of Rule 144, to provide objective criteria for determining whether an investor is an underwriter or has acquired securities for distribution, without allowing the holding period to be longer than necessary and imposing unnecessary costs or restrictions on capital formation. The SEC believes that, with regard to reporting companies, a six month holding period is a reasonable indication that an investor has assumed the economic risk of an investment in the securities, which is a critical factor in determining that the securityholder did not acquire the securities for distribution.

Due to concern that the market does not have significant information and safeguards with respect to non-reporting companies, the holding period for restricted securities issued by non-reporting companies remains one year for both affiliate and non-affiliate sellers. As discussed in Part III below, however, the amendments eliminate the resale restrictions on non-affiliates of non-reporting companies under Rule 144 after the one-year holding period, allowing such non-affiliates to resell their restricted securities after meeting the required one-year holding period without any further conditions under Rule 144.

III. Significant Reduction of Rule 144 Requirements Applicable to Non-Affiliates

Under the amendments, persons who at the time of sale are not affiliates of a reporting company and have not been an affiliate during the three months prior to the sale of securities are permitted to resell their securities of the reporting company after satisfying their holding period, subject only to the requirement in Rule 144(c) that current information regarding the issuer of the securities be publicly available if the sale is made within one year from the date of acquisition. Non-affiliates of both reporting and non-reporting companies would therefore be able to freely resell their restricted securities publicly one year after the acquisition date of the securities, without having to comply with any other conditions of Rule 144.

IV. Manner of Sale Requirements Amended for Equity Securities and Eliminated for Debt Securities

Prior to the amendments, Rule 144(f) required that securities be sold in "brokers' transactions" (as defined in Rule 144(g)) or in transactions directly with a "market maker" (as defined in Section 3(a)(38) of the Exchange Act). Additionally, the Rule prohibited a seller from (a) soliciting or arranging for the solicitation of orders to buy the securities in anticipation of, or in connection with, the Rule 144 transaction; or (b) making any payment in connection with the offer or sale of the securities to any person other than the broker who executes the order to sell the securities. These manner of sale requirements did not apply to securities sold for the account of a non-affiliate of an issuer after a two year period had elapsed and under the amendments the manner of sale requirements will not apply to non-affiliates at all.

Citing the growth of technological and other developments that meet the investment needs of the public and reduce the cost of capital for companies, the SEC adopted two additional amendments to the manner of sale requirements that were not included in the initial proposing release for the amendments. First, the amendments will permit the resale of restricted securities in "riskless principal transactions"[‡] in which the offsetting trades are executed at the same price (excluding any markup or markdown, commission or other fee), and the transaction is permitted to be reported as "riskless" under applicable existing rules. In order to be deemed a "riskless principal transaction" and thereby comply with the amended Rule 144(f), a broker or dealer may not solicit or arrange for the solicitation of customers' orders to buy the securities in connection with the transaction, may not receive more than its customary markup or markdown, commission, or other fee, and must conduct a reasonable inquiry regarding the underwriter status of the securityholder for whose account the securities are to be sold.

Second, the SEC has amended Rule 144(g), which defines "brokers' transaction" for the purpose of the Rule 144 manner of sale requirements. In order to be considered a brokers' transaction for the purposes of Rule 144, a broker may not solicit or arrange for the solicitation of customers' orders to buy the securities to be sold in a Rule 144 transaction. The amendments add to the litany of transactions that are deemed not to be solicitations, the posting of bid and ask quotations in alternative trading systems, which have become more common in recent years. As a result of the amendment, a broker is able to include bid and ask quotations for the applicable security in an alternative trading system as long as the broker published bona fide bid and ask quotations for the applicable security on the alternative trading system for each of the 12 previous trading days.

Because debt securities raise fewer concerns with respect to abusive transactions than equity securities, the amendments completely eliminate the manner of sale requirements with respect to resales of debt securities and allow holders of debt securities greater flexibility in the resale of their securities, including the option to negotiate privately the resale of the securities. In addition, non-participating preferred stock, which has debt-like characteristics, and asset-backed securities, where the predominant purchasers are institutional investors, have been included in the definition of "debt securities" for purposes of Rule 144 and therefore resales of these securities need not comply with Rule 144's manner of sale requirements.

V. New Alternative Method to Determine Volume Limitation for Debt Securities

Agreeing with commenters that the volume limitations in place prior to the amendments significantly constrained the ability of securityholders to resell their debt securities under Rule 144, the amendments adopt an alternative volume limitation that is applicable only to debt securities. Under the amendments, in addition to the volume limitations already in place, Rule 144(e) will permit the resale of debt securities in amounts that do not exceed ten percent of a tranche of securities (or class in the case of non-participating preferred stock), when aggregated with all other sales of securities of the same tranche by the selling securityholder within a three-

---

‡ A "riskless principal transaction" is defined as a principal transaction where, after having received from a customer an order to buy, a broker or dealer purchases the security as principal in the market to satisfy the order to buy or, after having received from a customer an order to sell, sells the security as principal to the market to satisfy the order to sell.

month period. The revised volume limitations also apply to resales of non-participating preferred stock and asset-backed securities.

VI. Increase of the Form 144 Filing Thresholds

Prior to the amendments, Rule 144(h) required selling securityholders to file a Form 144 if the intended sale exceeded either 500 shares or $10,000 within a three month period. As discussed in Part III above under the amendments, only affiliates of the issuer will be required to file a notice of proposed sale on Form 144 when relying on Rule 144. In order to take into account inflation since the filing thresholds for Form 144 were set in 1972 and to capture only trades that merit notice, the amendments increase the Form 144 filing thresholds to require the filing of a Form 144 only if the affiliate securityholder's intended sale exceeds either 5,000 shares or $50,000 within a three month period.

VII. Codification of Certain Staff Positions

The amendments to Rule 144 also codified certain interpretive positions previously taken by the staff of the Division of Corporate Finance (the "SEC Staff") with respect to resales under Rule 144.

Securities Acquired under Section 4(6) of the Securities Act Are Considered "Restricted Securities"

Section 4(6) of the Securities Act provides an exemption from registration for an offering that does not exceed $5,000,000, that is made only to accredited investors, that does not involve any advertising or public solicitation by the issuer or anyone acting on the issuer's behalf, and for which a Form D has been filed. The SEC Staff has previously taken the position that the resale status of securities acquired in Section 4(6) exempt transactions should be the same as securities received in other non-public offerings that are included in the definition of restricted securities and therefore that securities acquired under Section 4(6) should be defined as "restricted securities" for purposes of Rule 144. The amendments codified this SEC Staff position and Rule 144(a)(3) was amended to include securities acquired under Section 4(6) of the Securities Act in the definition of "restricted securities."

Tacking of Holding Periods When a Company Reorganizes into a Holding Company Structure

The amendments permit securityholders to combine or "tack" the Rule 144 holding period of securities held prior to transactions carried out solely to form a holding company with the holding period for the securities received in connection with the transaction. New Rule 144(d)(3)(ix) permits tacking of the holding period if the following conditions are met:

- the newly formed holding company's securities were issued solely in exchange for the securities of the predecessor company as part of a reorganization of the predecessor company into a holding company structure;

- securityholders received securities of the same class evidencing the same proportional interest in the holding company as they held in the predecessor company, and their rights

and interests are substantially the same as those they had as holders of the predecessor company's securities; and

- immediately following the transaction, the holding company had no significant assets other than securities of the predecessor company and its existing subsidiaries and had substantially the same assets and liabilities on a consolidated basis as the predecessor company had before the transaction.

Tacking of Holding Periods for Conversions and Exchanges of Securities

Under Rule 144(d)(3)(ii), securities that were acquired from the issuer for consideration consisting solely of other securities of the same issuer surrendered for conversion are deemed to have been acquired at the same time as the securities surrendered for conversion. Prior to the amendments, Rule 144(d)(3)(ii) did not indicate whether the securities surrendered must have been convertible by their terms in order for tacking of the holding period to be permitted. The SEC has clarified its position on this point by including the following amendments to Rule 144(d)(3)(ii):

- codifying the SEC Staff position that securities acquired from the issuer solely in exchange for other securities of the same issuer are deemed to have been acquired at the same time as the newly acquired securities surrendered for conversion or exchange, *even if the securities surrendered were not convertible or exchangeable by their terms*; and

- stating in a new note to Rule 144(d)(3)(ii) that if (a) the original securities do not permit cashless conversion or exchange by their terms, (b) the parties amend the original securities to allow for cashless conversion or exchange, and (c) the securityholder provides consideration for that amendment *other* than solely securities of the same issuer, then the newly acquired securities will be deemed to have been acquired on the date that the surrendered securities were amended, rather than the date on which the surrendered securities were originally purchased, as long as, in the conversion or exchange, the securities sold were acquired from the issuer in exchange for other securities of the same issuer.

Cashless Exercise of Options and Warrants

Similarly, the amendments include new Rule 144(d)(3)(x) to codify the SEC Staff's position that upon a cashless exercise of options or warrants, the newly acquired underlying securities are deemed to have been acquired when the corresponding options or warrants were acquired, even if the options or warrants originally did not provide for cashless exercise by their terms. This new rule also includes two notes that codify the following two SEC Staff positions:

- if (a) the original options or warrants do not permit cashless exercise by their terms, (b) the parties amend the original options or warrants to allow for cashless exercise, and (c) the securityholder provides consideration for that amendment *other* than solely securities of the same issuer, then the options or warrants are deemed to have been acquired on the date that the options or warrants were amended, rather than the date on which the options or warrants were originally purchased, so long as the exercise itself was cashless; and

- because the grant of certain options or warrants that are not purchased for cash or property (such as employee stock options) does not create an investment risk in the holder, the holder is not allowed to tack the holding period of the option or warrant and is deemed to have acquired the underlying securities on the date the option or warrant was exercised, if the exercise price was paid in full at that time.

Aggregation of Pledged Securities

Under Rule 144(e)(3)(ii), (a) the amount of securities sold for the account of a pledgee of restricted securities or for the account of a purchaser of the pledged securities, during any period of three months within six months (or one year in the case of a non-reporting company) after a default in the obligation secured by the pledge and (b) the amount of securities sold during the same three month period for the account of the pledgor are aggregated for purposes of determining compliance with the volume limitations set forth in Rule 144(e). The amendments add a new note to Rule 144(e)(3)(ii) to codify the SEC Staff's position that, in cases involving two or more pledgees, as long as the pledgees are not the same "person" under Rule 144(a)(2) and are not acting in concert and the loans and pledges are bona fide transactions, if a pledgor defaults on several pledges, each pledgee may sell the pledged restricted securities in the amount permitted by the volume limitations in Rule 144(e), less any sales made by the pledgor during the relevant period, without having to aggregate the sale with sales by other pledgees of the same securities from the same pledgor.

Treatment of Securities Issued by "Reporting and Non-reporting Shell Companies"

Because certain types of companies, including "blank check companies"[§] and other "shell companies,"[**] have historically provided opportunities for abuse of the federal securities laws, the amendments codify certain SEC Staff positions with respect to such companies in an effort to curtail misuse of Rule 144. The amendments add new Rule 144(i) to codify the SEC Staff's position that Rule 144 is not available for the resale of securities issued by companies that are, or previously were, shell companies, with the following modifications:

- The amendments apply to a category of companies referred to as "reporting and non-reporting shell companies," which would include all companies that meet the definition of "shell company," including blank check companies. This category of companies is broader than the definition of "shell company" in Rule 405, however, as it would apply to any "issuer" meeting that standard, whereas the Rule 405 definition refers only to "registrants." Under the new rule, a person who wishes to resell securities issued by a company that is, or was, a reporting or a non-reporting shell company, other than a

---

[§] Rule 419 defines a "blank check company" as a company that (a) is in the development stage, (b) has not specific business plan or purpose or has indicated that its business plan is to merge with or acquire an unidentified third party, and (c) issues penny stock.

[**] Rule 405 defines a "shell company" as a registrant, other than an asset-backed issuer, that has (a) no or nominal operations, and (b) either (1) no or nominal assets, (2) assets consisting solely of cash and cash equivalents, or (3) assets consisting of any amount of cash and cash equivalents and nominal other assets.

business combination related shell company,[††] would not be able to rely on Rule 144 to sell the securities.

- Because the reasons for prohibiting reliance on Rule 144 are no longer present after a reporting company has ceased to be a shell company and there is adequate disclosure in the market that would serve to protect against further abuse, the amendments permit reliance on Rule 144 for resales by a securityholder when (a) the issuer of the securities that was formerly a reporting or non-reporting shell company has ceased to be a shell company, (b) the issuer of the securities is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, (c) the issuer of the securities has filed all Exchange Act reports and material required to be filed during the preceding 12 months (or for such shorter period that the registrant was required to file such reports and materials), other than Current Reports on Form 8-K, and (d) at least one year has elapsed from the time the issuer has filed current "Form 10 information"[‡‡] with the SEC reflecting its status as an entity that is not a shell company.

Both restricted and unrestricted securities are subject to the same one-year holding period. For purposes of the one-year holding period, "Form 10 information" is considered filed when initially filed by the issuer with the SEC, rather than when the SEC has completed its review of the information.

Representations Required from Securityholders Relying on Exchange Act Rule 10b5-1(c)

Under Rule 10b5-1(c), a person's sale of securities is deemed not to be made "on the basis of" material nonpublic information provided that the person demonstrates, among other things, that prior to becoming aware of the material nonpublic information, he or she had entered into a binding contract to purchase or sell the securities, provided instructions to another person to execute the trade for his or her account, or adopted a written plan for the trading of securities.

Form 144 requires a selling securityholder to represent, as of the date that the form is signed, that he or she "does not know any material adverse information in regard to the current and prospective operations of the issuer of the securities to be sold which has not been publicly disclosed." The amendments codify the SEC Staff's position that a selling securityholder who satisfies Rule 10b5-1(c) may modify the Form 144 representation to indicate that he or she had no knowledge of material adverse information about the issuer as of the date on which the holder adopted the written trading plan or gave the trading instructions.

[††] Rule 405 defines a "business combination related shell company" as a shell company formed by an entity that is not a shell company solely for the purpose of (a) changing the corporate domicile of that entity solely within the United States, or (b) completing a business combination transaction (as defined in Rule 165(f)) among one or more entities other than the shell company, none of which is a shell company.

[‡‡] "Form 10 information" refers to information that a company would be required to file if it were registering a class of securities on Form 10, Form 10-SB, or Form 20-F under the Exchange Act. Shell companies are required to file this information on Form 8-K in connection with the transaction by which they cease to be a shell company.

VIII. Simplification of the Preliminary Note and Text of Rule 144

The amendments have also simplified the Preliminary Note to Rule 144 to incorporate plain English principles without altering the substantive operation of the Rule. The revised Preliminary Note also clarifies that the Rule 144 safe harbor is not available with respect to any transaction or series of transactions that is part of a plan or scheme to evade the registration requirements of the Securities Act.

In addition, the amendments include changes to language throughout Rule 144 intended to make the Rule less complex and easier to read.

IX. Practical Implications of the Amendments to Rule 144

By reducing the restrictions on resales of restricted securities, the amendments to Rule 144 are expected to increase the liquidity of these securities. Accordingly, the amendments will likely decrease the cost of capital for issuers of restricted securities by reducing the illiquidity costs borne by investors who purchase restricted securities.

Many existing registration rights agreements require an issuer to file, and maintain the effectiveness of, a resale registration statement until the securities covered by the resale registration statement can be sold under old Rule 144(k). In light of the amendments, issuers should review the terms of registration rights agreement to determine if they are still required to maintain the effectiveness of an existing resale shelf registration statement filed in order to comply with the terms of a registration rights agreement.

In addition, in the adopting release the SEC indicated that it will not object to the removal of legends from restricted securities held by non-affiliates once all of the applicable conditions in Rule 144 have been met. However, the SEC also noted that the removal of restrictive legends remains in the sole discretion of the issuer.

As amended, Rule 144 incorporates a three month "look-back" whenever non-affiliate status is tested. Prior to the amendments, this look-back was referred to only in paragraph (k) of the Rule, which applied only to sale of restricted securities. As a result, under the old Rule, a former affiliate could be considered a non-affiliate immediately upon termination of the relationship that had made him or her an affiliate of the issuer and could resell "control securities" (i.e., non-restricted securities) without regard to Rule 144 restrictions as soon as he or she ceased to be an affiliate. When it revised its compliance and disclosure interpretations of Rule 144 earlier this year, the SEC staff indicated that while a former affiliate could sell non-restricted securities as soon as his or her affiliate status had ceased, the cessation of affiliate status should not be assumed to occur instantly. Amended Rule 144 appears to take this view a step further and allows a former affiliate to resell control securities without regard to the Rule's restrictions only after the former affiliate has not been an affiliate for three months.

X. Conforming Amendments to Regulation S and Rule 701

In connection with the amendments to Rule 144, the SEC has also adopted conforming amendments to Regulation S and Rule 701.

The amendments to Regulation S shorten the distribution compliance period for Category 3 issuers from one year to six months in the case of reporting issuers. The purposes of the distribution compliance period is to ensure that during an offering and in subsequent after-market trading, the persons relying on Rule 903 are not engaged in an unregistered, non-exempt distribution of securities into the United States. In adopting the amendment, the SEC indicated that there is no need for a Rule 903 distribution compliance period that is longer that the Rule 144 holding period.

Rule 701(g)(3) contains the resale limitations applicable to securities issued in reliance upon Rule 701. Prior to amendments, the limitations set forth in this rule for resales by non-affiliates contained references to Rules 144(e) and (h), which under the amendments to Rule 144 are no longer applicable to non-affiliates. Accordingly the SEC has amended Rule 701(g)(3) to remove references to paragraphs (e) and (h) of Rule 144.

XI. Amendments to Rule 145

The amendments eliminate the presumptive underwriter provisions in Rule 145 with respect to most transactions, except those involving shell companies (other than business combination related shell companies). Under the amended rule, if a transaction covered by Rule 145 (i.e. exchanges of securities in connection with reclassifications, mergers, consolidations, and asset transfers where a shareholder vote is required) involves a shell company (other than a business combination related shell company), then any party to that transaction (other than the issuer) or any person who is affiliate of such party at the time of the shareholder vote is deemed to be a presumed underwriter subject to the resale restrictions of Rule 145.

Under Rule 145(d), the persons and parties that are deemed to be presumed underwriters are permitted to resell their securities in substantially the same way that affiliates of a shell company are permitted to resell their securities under Rule 144, as amended. The rule provides that such presumed underwriters may only sell securities received in the Rule 145 transaction if the shell company ceases to be a shell company by meeting the conditions set forth under new Rule 144(i)(2) and one of the following conditions is met:

- the current public information, volume limitation, and manner of sale requirements of Rule 144(c), (e), (f), and (g) are met and at least 90 days have passed since the securities were acquired;

- (a) at the time of sale, such person is not, and has not been for at least three months, an affiliate of the issuer, (b) at least six months have passed since the securities were acquired, and (c) current public information as required by Rule 144(c) is available for the issuer; or

- (a) at the time of sale, such person is not, and has not been for at least three months, an affiliate of the issuer, and (b) at least one year has passed since the securities were acquired.

Similar to the amended Preliminary Note in Rule 144, the amendments add a note indicating that Rules 145(c) and (d) are not available with respect to any transaction or series of transactions that, although in technical compliance with the Rule, is part of a plan or scheme to evade the registration requirements of the Securities Act.

* * *

This memorandum is not intended to provide legal advice with respect to any particular situation, and no legal or business decision should be based solely on its content. Questions concerning issues addressed in this memorandum should be directed to any member of the Paul Weiss Securities Group, including:

Mark S. Bergman	(44 20) 7367 1601	Edwin S. Maynard	(212) 373-3024
Richard S. Borisoff	(212) 373-3153	Raphael M. Russo	(212) 373-3309
Andrew J. Foley	(212) 373-3078	Lawrence G. Wee	(212) 373-3052
John C. Kennedy	(212) 373-3025	Tong Yu	(813) 3597 6303

Appendix A

SUMMARY OF HOLDING PERIODS UNDER AMENDED TO RULE 144

	Affiliate or Person Selling on Behalf of an Affiliate	**Non-Affiliate (and Has Not Been an Affiliate During the Prior Three Months)**
Restricted Securities of Reporting Issuers	During six-month holding period - no resales under Rule 144 permitted. After six-month holding period - may resell in accordance with all Rule 144 requirements including: • Current public information, • Volume limitations, • Manner of sale requirements for equity securities, and • Filing of Form 144.	During six-month holding period - no resales under Rule 144 permitted. After six-month holding period but before one year – unlimited public resales under Rule 144 except that the current public information requirement still applies. After one-year holding period -unlimited public resales under Rule 144; need not comply with any other Rule 144 requirements.
Restricted Securities of Non-Reporting Issuers	During one-year holding period - no resales under Rule 144 permitted. After one-year holding period - may resell in accordance with all Rule 144 requirements, including: • Current public information, • Volume limitations, • Manner of sale requirements for equity securities, and • Filing of Form 144.	During one-year holding period - no resales under Rule 144 permitted. After one-year holding period -unlimited public resales under Rule 144; need not comply with any other Rule 144 requirements.