

EXHIBIT 1
SEC RULES ON NONAUDIT SERVICES ISSUED IN 2000

Bookkeeping or other services related to the audit client's accounting records or financial statements. An audit firm cannot maintain or prepare the audit client's accounting records or financial statements that are either filed with the SEC or that form the basis of financial statements filed with the SEC. (An exception includes providing services in emergency situations, provided the accountant does not undertake any managerial actions or make managerial decisions.)

Financial information systems design and implementation. The auditor cannot operate or supervise the operation of the client's IT systems. However, the auditor could provide IT consulting services if certain criteria are met.

Appraisal or valuation services or fairness opinions. Restrictions on these services apply only where it is reasonably likely that the results of any valuation or appraisal would be material to the financial statements, or where the service provider would audit the results.

Actuarial services. Actuarial-oriented advisory services are restricted only when they involve the determination of insurance company policy reserves and related accounts.

Internal audit services. An audit firm is allowed to perform up to 40% (measured in hours) of an audit client's internal audit work. (Companies with less than \$200 million in assets are excluded from this rule.)

Management functions.* An auditor's independence is considered impaired when the auditor acts, temporarily or permanently, as a director, officer, or employee of an audit client, or performs any decision-making, supervisory, or ongoing monitoring function.

Human resources.* An auditor may not recruit, act as a negotiator on the audit client's behalf, develop employee testing or evaluation programs, or recommend a specific candidate for a specific job.

Broker-dealer services. An auditor cannot serve as a broker-dealer, promoter, or underwriter of an audit client's securities.

Legal services. An auditor cannot perform services for an audit client in which the person providing the services must be admitted to practice before the courts of a U.S. jurisdiction.

**The rules regarding management functions and human resources were consolidated into a single rule, resulting in eight rules made into law by the Sarbanes-Oxley Act of 2002.*