

which the member acted as manager or co-manager of:

[(1)](A) an initial public offering, for 40 calendar days following the date of the offering; or

[(2)](B) a secondary offering, for 10 calendar days following the date of the offering; provided that:

[(A)](i) paragraphs (f)(1)(A) and (f)(2)(1)(B) will not prevent a member from publishing or otherwise distributing a research report concerning the effects of significant news or a significant event on the subject company within such 40- and 10-day periods, and provided further that [the] legal [and] or compliance [department] personnel authorize[s] publication of that research report before it is [issued] published or otherwise distributed; and

[(B)](ii) paragraph (f)(2)(1)(B) will not prevent a member from publishing or otherwise distributing a research report pursuant to SEC Rule 139 regarding a subject company with "actively-traded securities," as defined in Regulation M, 17 CFR 242.101(c)(1).

(2) No member that has agreed to participate or is participating as an underwriter or dealer (other than as manager or co-manager) of an issuer's initial public offering may publish or otherwise distribute a research report regarding that issuer for 25 calendar days following the date of the offering.

(3) For purposes of paragraphs (f)(1) and (f)(2), the term "date of the offering" refers to the later of the effective date of the registration statement or the first date on which the security was bona fide offered to the public.

(4) No member that has acted as a manager or co-manager of a securities offering may publish or otherwise distribute a research report or make a public appearance concerning a subject company 15 days prior to and after the expiration, waiver or termination of a lock-up agreement or any other agreement that the member has entered into with a subject company or its shareholders that restricts or prohibits the sale of securities held by the subject company or its shareholders after the completion of a securities offering. This paragraph will not prevent a member from publishing or otherwise distributing a research report concerning the effects of significant news or a significant event on the subject company within such period, provided that legal or compliance personnel authorize publication of that research report before it is issued.

(5) If a member intends to discontinue its research coverage of a subject company, notice of this withdrawal must be made in the same manner as

when research coverage was first initiated by the member and must include the member's final recommendation or rating.

(g) Restrictions on Personal Trading by Research Analysts

(1) No change.

(2) (A) No change.

(B) a member may permit a research analyst account to purchase or sell any security issued by a subject company within 30 calendar days before the publication of a research report or change in the rating or price target of the subject company's securities due to significant news or a significant event concerning the subject company, provided that [the member's] legal or compliance [department] personnel pre-approve[s] the research report and any change in the rating or price target.

(3) No change.

(4) [A member's] legal or compliance [department] personnel may authorize a transaction otherwise prohibited by paragraphs (g)(2) and (g)(3) based upon an unanticipated significant change in the personal financial circumstances of the beneficial owner of the research analyst account, provided that:

(A) [the] legal or compliance [department] personnel authorize[s] the transaction before it is entered;

(B) through (C) No change.

(5) No change.

(h) Disclosure Requirements

(1) No change.

(2) Receipt of Compensation.

(A) A member must disclose in research reports if [(i)] the research analyst principally responsible for preparation of the report received compensation that is based upon (among other factors) the member's investment banking revenues.; and]

(B) [(ii) the member or its affiliates:] A member must disclose in research reports if the member or any affiliate:

(i) [(a)] managed or co-managed a public offering of securities for the subject company in the past 12 months;

(ii) [(b)] received compensation for investment banking services from the subject company in the past 12 months; or

(iii) [(c)] expects to receive or intends to seek compensation for investment banking services from the subject company in the next 3 months.

(C) A member must disclose in research reports if the member or any affiliate received any compensation other than for investment banking services from the subject company in the past 12 months.

(D) A member must disclose in research reports and a research analyst

must disclose in public appearances if the research analyst received any compensation from the subject company in the past 12 months.

(E) A research analyst must disclose in public appearances (if the analyst knows or has reason to know) if the member or any affiliate received any compensation from the subject company in the past 12 months.

(F) A member must disclose in research reports and a research analyst must disclose in public appearances (if the analyst knows or has reason to know) if the subject company currently is a client of the member or was a client of the member during the 12-month period preceding the date of distribution of the research report or date of the public appearance. In such cases, the member or research analyst (if the analyst knows or has reason to know) also must disclose the types of services provided to the subject company. For purposes of this paragraph (h)(2)(F), the types of services provided to the subject company may be described as investment banking services, non-investment banking securities-related services, and non-securities services.

(G) A member or research analyst will not be required to make a disclosure required by paragraphs (h)(2)(B)(ii), (h)(2)(B)(iii), or (h)(2)(F) to the extent such disclosure would reveal material non-public information regarding specific potential future investment banking services transactions of the subject company.

[(B) A research analyst must disclose in public appearances if the analyst knows or has reason to know that the subject company is a client of the member or its affiliates.]

(3) through (11) No change.

(i) No change.

(j) Prohibition of Retaliation Against Research Analysts

No member and no employee of a member who is involved with the member's investment banking activities may, directly or indirectly, retaliate against or threaten to retaliate against any research analyst employed by the member or its affiliates as a result of an adverse, negative, or otherwise unfavorable research report or public appearance written or made by the research analyst that may adversely affect the member's present or prospective investment banking relationship with the subject company of a research report. This prohibition shall not limit a member's authority to discipline or terminate a research analyst, in accordance with the member's policies and procedures, for any cause other than the writing of such