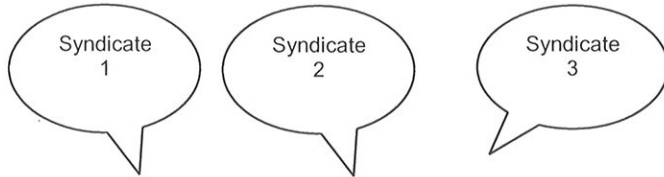




Perspective on New Issue Rules

COMPETITIVE SALE

DAY BEFORE SALE DAY



≈ 3:00 pm PRE-SALE SCALES

PUBLISH OUR "SALE IDEAS"

SALE DAY

≈ 9:30 am SALE DAY ⇒ collect Pre-sale Orders

@ 10:30 am SHARP ⇒ close Pre-sale

@ 11:00 am ⇒ Bids opened



≈ 11:02 am ⇒ Best bid ("We are High")

≈ 11:10 am ⇒ Award to best bid

to Noon ⇒ Order Period
(no priority vis-à-vis time sequence of order except if "immediate confirm" requested)

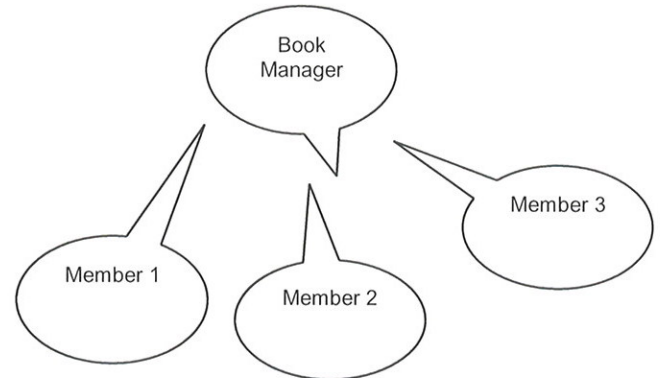
≈ 1:15 pm ⇒ Allocation Wire

> 1:00 pm (following close of Order Period)
⇒ Phone call to Book Manager

SALE DAY + 1

Balance wires till "CLOSED" wire

NEGOTIATED SALE



DAY #1

Release RETAIL SCALE

RETAIL ORDER PERIOD ≈ End Day

RETAIL ORDER PERIOD Closed!

DAY #2

Release INSTITUTIONAL SCALE

INSTITUTIONAL ORDER PERIOD ≈ 3 hrs

INSTITUTIONAL ORDER PERIOD Closed!

DAY #3

FINAL SCALE

FINAL ORDER PERIOD ≈ 1 hr

Final ORDER PERIOD Closed!

VERBAL AWARD

DAY # 3 or 4

ALLOCATIONS

DAY # 3 or 4

FREE MARKET – Deluge of Brokers