

HOZIK & LAWSON, LLC

**NIRI Capital Area
Chapter Meeting
September 24, 2003**



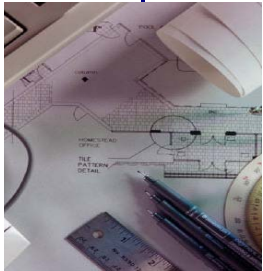
Introduction to Richard Hozik



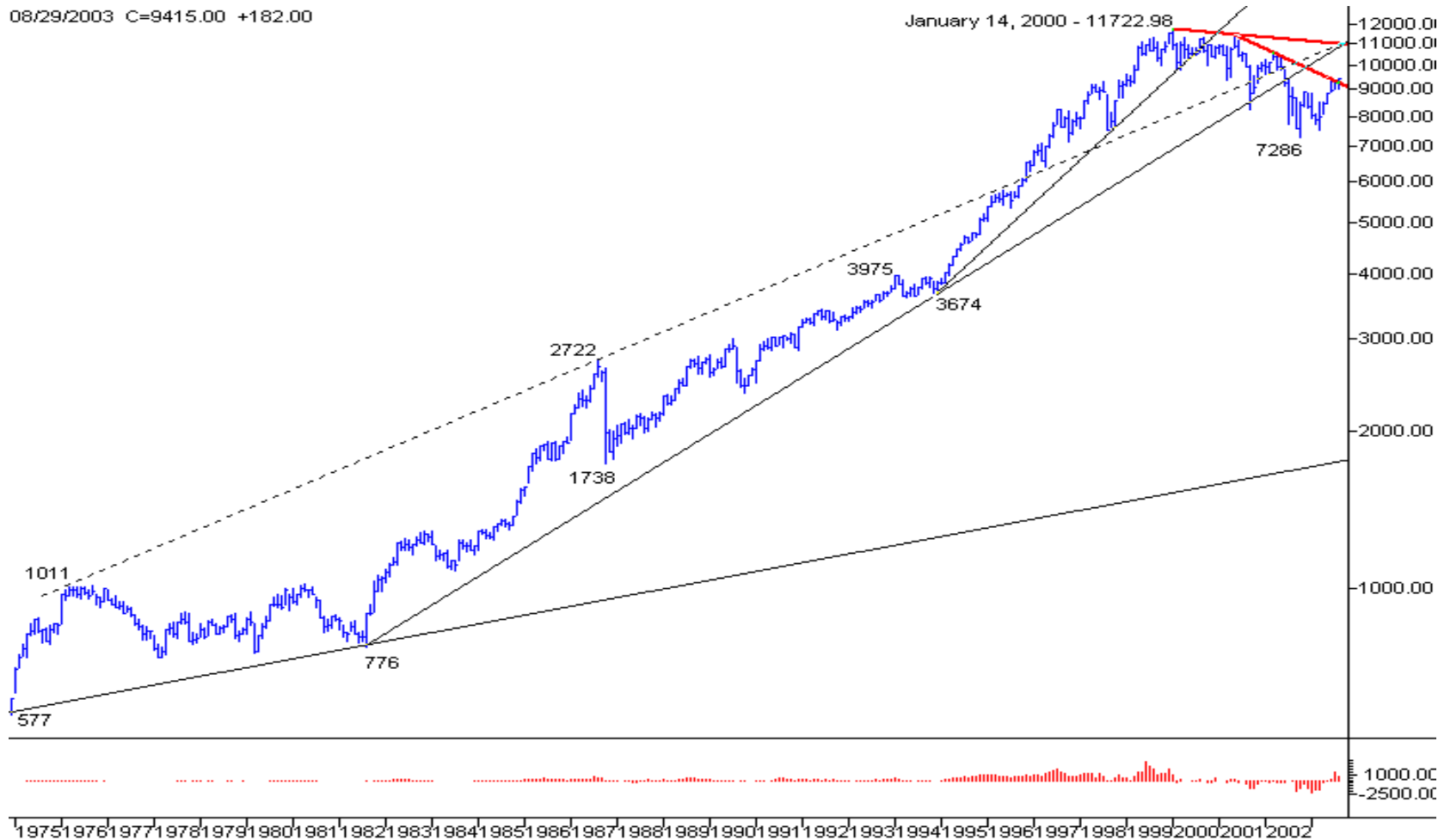
- **Over 30 years combined financial and operations experience**
- **Approximately nine years with Arthur Andersen – client base included array of large publicly-held companies**
- **Served as CFO and/or Divisional CEO to a number of Washington, D.C. area companies:**
 - **GRC International, Inc.**
 - **J.E. Robert Companies**
 - **LCC International, Inc.**
 - **Varsity Group, Inc. (formerly, VarsityBooks.com)**
 - **Aestix, Inc. (a subsidiary of Booz, Allen & Hamilton)**
- **Significant operations, capital raising, and M&A experience**

Historical Perspective

- **1969 – NIRI founded**
(Hozik graduated high school)
- **1973 – Nixon, Vietnam, Watergate, 8.0% prime, DJIA 788**
(Hozik graduated college)
- **1983 – Reagan, Grenada, Iran Contra, 10.8% prime, DJIA 1252**
- **1993 – Clinton, Somalia, Whitewater, Paula Jones, Monica Lewinsky, 6.0% prime, DJIA 3756**
- **2003 – Bush, War on Terrorism, Operation Iraqi Freedom, WMD, 4.0% prime, DJIA 9576**

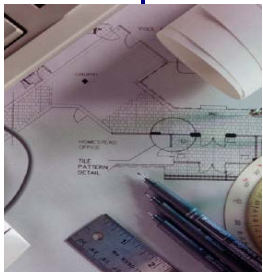


Dow Jones Industrial Average



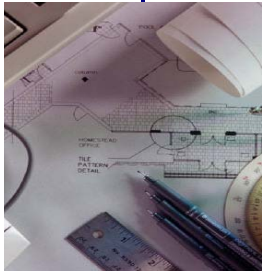
New Regulations Impact

- **Board of Directors**
- **Officers and Employees**
- **Third Party Relationships**
- **Corporate Activities**



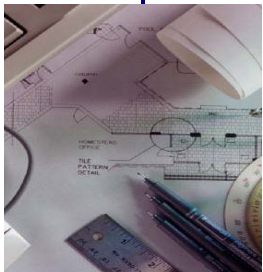
Board of Directors

- **Executive Committee**
- **Audit Committee**
- **Finance Committee**
- **Compensation Committee**
- **Nominating Committee**
- **Ethics Committee**



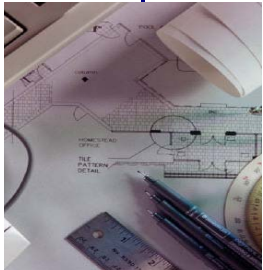
Officers and Employees

- **Executive (CEO)**
- **Finance (CFO)**
- **Legal (General Counsel)**
- **Investor Relations (IR)**
- **Information Technology (IT)**
- **Treasury Management**
- **Risk Management**
- **Internal Audit**



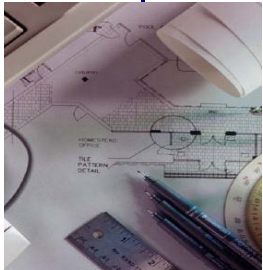
Third Party Relationships

- **Consultants**
- **External Auditors**
- **Outside Legal Counsel**
- **Commercial Bankers**
- **Investment Bankers**
- **Insurance Brokers**
- **Bonding Agencies**



Corporate Activities

- **Capital Markets**
 - Private equity transactions/PIPE transactions
 - Private debt transactions
 - Initial public offerings
 - Follow-on offerings
 - Secondary offerings
- **Mergers and Acquisitions**
 - **Buy side**
 - Private companies
 - Public companies
 - **Sell side**
 - Private companies
 - Public companies



Summary and Conclusion

- **The new regulations cast a big net**
 - **Far reaching**
 - **Wide**
 - **Deep**
 - **360 degree**
 - **Public/private companies**
- **They are here to stay**
- **Compliance deadlines have been set**
- **Low tolerance for non-compliance**
- **Severe ramifications for non-compliance**
- **The new regulations are intended to be serious, take them seriously**

