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NEWS

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For Immediate Release

**FAF and SEC Reach Agreement on Changes in Composition
of Accounting Foundation: Appointing Three New Trustees to Serve**

Norwalk, CT and Washington, D.C., July 8, 1996—The Financial Accounting Foundation (FAF) and the Securities and Exchange Commission (SEC) today announced that they have reached agreement for a change in the composition of the Foundation's Board. Specifically, the FAF will add two new At-Large positions, fill two existing At-Large vacancies, and reduce the number of members appointed by sponsoring organizations by two. Three individuals have been asked and have agreed to serve as At-Large members of the FAF Board: John Biggs, Chairman and CEO of TIAA-CREF; Manuel Johnson, former Vice Chairman of the Federal Reserve; and David Ruder, former Chairman of the SEC. In addition, the FAF will extend an invitation to Charles Bowsher, Comptroller General of the United States, following the completion of his government service later this year. The FAF selected the new At-Large Trustees in consultation with the SEC.

The Foundation will amend its bylaws to incorporate this change, reflecting the fact that the American Institute of Certified Public Accountants and the Financial Executives Institute have agreed to relinquish one seat each.

John H. Biggs, Chairman and CEO of TIAA-CREF since 1993, was previously President and Chief Operating Officer of the organization. Prior to joining TIAA-CREF, Mr. Biggs served as Chairman and CEO of Centerre Trust Company from 1985 to 1989, and from 1977 to 1985 as Vice Chancellor for Administration and Finance of Washington University in St. Louis, Missouri, and served in various actuarial and financial positions at General American Life, St. Louis, for 18 years,

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ending as Vice President and Controller. He earned his A.B., magna cum laude, from Harvard University in 1958 and a Ph.D. in economics from Washington University in 1983. He is a Fellow of the Society of Actuaries.

Manuel H. Johnson is currently Co-Chairman of Johnson Smick International, Inc., a consulting firm specializing in economic and political policy. From 1986 to 1990, Dr. Johnson was Vice Chairman of the Board of Governors of the Federal Reserve System. Previously, Dr. Johnson served as Assistant Secretary of the Treasury, from 1982 to 1986. Dr. Johnson received his B.S., cum laude, from Troy State University in 1973, and M.S. in economics from Florida State University in 1974, and a Ph.D. in economics from Florida State University in 1977.

David S. Ruder is the William W. Gurley Memorial Professor of Law at Northwestern University School of Law and senior counsel in the Chicago office of Baker & McKenzie. From 1987 to 1989, Professor Ruder served as Chairman of the SEC. Between 1977 and 1985, Mr. Ruder served as Dean of the Northwestern University School of Law, and has been a member of its faculty since 1961. Mr. Ruder earned his Bachelor's degree, cum laude, from Williams College in 1951. He received his law degree, with honors, from the University of Wisconsin in 1957.

Mike Cook, Chairman of the FAF, said, "I am pleased with the appointment of these three new At-Large Trustees. Their backgrounds and experience will be very valuable to the work of the Foundation. The change in the composition of the Foundation Board provides a strong basis for the Foundation's continuing support of the FASB and the GASB and their essential role in private sector accounting standards setting and the efficient functioning of our economy and capital markets."

SEC Chairman Arthur Levitt said, "The FAF has selected three outstanding leaders who are committed to representing the public interest. The SEC supports the appointment of these individuals. I am confident that their input will be a tremendous asset to the Foundation and their appointment serves as testament to the importance of the work of the FAF. In all, I believe these changes serve to enhance the FAF, maintain the FASB and GASB as the private-sector standard setters and protect the integrity of American accounting standards."

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