

EXHIBIT 17

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

**BERNARD L. MADOFF
INVESTMENT SECURITIES
LLC,**

Debtor,

**IRVING H. PICARD, Trustee for
the Liquidation of Bernard L.
Madoff Investment Securities LLC,**

Plaintiff,

v.

SAUL B. KATZ, et al.,

Defendants.

Adv. Pro. No. 08-01789 (BRL)

SIPA LIQUIDATION

**(Substantively Consolidated)
Adv. Pro. No. 10-5287 (BRL)**

11-CV-03605 (JSR) (HBP)

Bruce Dubinsky Deposition Binder

Tabs 26-80

Part II of III

ATTORNEY WORK PRODUCT
PRIVILEGED & CONFIDENTIAL

DUFF & PHELPS

EXHIBIT

D-25B
1-11-12

SECURITIES EXCHANGE ACT OF 1934

[AS AMENDED THROUGH P.L. 111-257, APPROVED OCTOBER 5, 2010]

TABLE OF CONTENTS

TITLE I—REGULATION OF SECURITIES EXCHANGES.

- Sec. 1. Short Title.
- Sec. 2. Necessity for Regulation As Provided in This Title.
- Sec. 3. Definitions and Application of Title.
- Sec. 3A. Swap Agreements.
- Sec. 3B. Securities-Related Derivatives.
- Sec. 3C. Clearing for Security-Based Swaps.
- Sec. 3D. Security-Based Swap Execution Facilities.
- Sec. 3E. Segregation of Assets Held As Collateral in Security-Based Swap Transactions.
- Sec. 4. Securities and Exchange Commission.
- Sec. 4A. Delegation of Functions by Commission.
- Sec. 4B. Transfer of Functions With Respect to Assignment of Personnel to Chairman.
- Sec. 4C. Appearance and Practice Before the Commission.
- Sec. 4D. Additional Duties of Inspector General.
- Sec. 4E. Deadline for Completing Enforcement Investigations and Compliance Examinations and Inspections.
- Sec. 5. Transactions on Unregistered Exchanges.
- Sec. 6. National Securities Exchanges.
- Sec. 7. Margin Requirements.
- Sec. 8. Restrictions on Borrowing by Members, Brokers, and Dealers.
- Sec. 9. Prohibition Against Manipulation of Security Prices.
- Sec. 10. Regulation of the Use of Manipulative and Deceptive Devices.
- Sec. 10A. Audit Requirements.
- Sec. 10B. Position Limits and Position Accountability for Security-Based Swaps and Large Trader Reporting.
- Sec. 10C. Compensation Committees.
- Sec. 10D. Recovery of Erroneously Awarded Compensation Policy.
- Sec. 11. Trading by Members of Exchanges, Brokers, and Dealers.
- Sec. 11A. National Market System for Securities; Securities Information Processors.
- Sec. 12. Registration Requirements for Securities.
- Sec. 13. Periodical and Other Reports.
- Sec. 13A. Reporting and Recordkeeping for Certain Security-Based Swaps.
- Sec. 14. Proxies.
- Sec. 14A. Shareholder Approval of Executive Compensation.
- Sec. 14B. Corporate Governance.
- Sec. 15. Registration and Regulation of Brokers and Dealers.
- Sec. 15A. Registered Securities Associations.
- Sec. 15B. Municipal Securities.
- Sec. 15C. Government Securities Brokers and Dealers.
- Sec. 15D. Securities Analysts and Research Reports.
- Sec. 15E. Registration of Nationally Recognized Statistical Rating Organizations.
- Sec. 15F. Registration and Regulation of Security-Based Swap Dealers and Major Security-Based Swap Participants.
- Sec. 15G. Credit Risk Retention.
- Sec. 16. Directors, Officers, and Principal Stockholders.
- Sec. 17. Accounts and Records, Examinations of Exchanges, Members, and Others.
- Sec. 17A. National System for Clearance and Settlement of Securities Transactions.
- Sec. 17B. Automated Quotation Systems for Penny Stocks.
- Sec. 18. Liability for Misleading Statements.
- Sec. 19. Registration, Responsibilities, and Oversight of Self-Regulatory Organizations.

ciation with a designated contract market for security futures products that is a national securities exchange registered pursuant to section 6(g), and that would be required to register pursuant to paragraph (1) of this subsection only because it performs the functions of a clearing agency with respect to security futures products effected pursuant to the rules of the designated contract market with which such agency is associated, is exempted from the provisions of this section and the rules and regulations thereunder, except that if such a clearing agency performs the functions of a clearing agency with respect to a security futures product that is not cash settled, it must have arrangements in place with a registered clearing agency to effect the payment and delivery of the securities underlying the security futures product.

(B) Any clearing agency that performs the functions of a clearing agency with respect to security futures products must coordinate with and develop fair and reasonable links with any and all other clearing agencies that perform the functions of a clearing agency with respect to security futures products, in order to permit, as of the compliance date (as defined in section 6(h)(6)(C))^[66], security futures products to be purchased on one market and offset on another market that trades such products.

(8) A registered clearing agency shall be permitted to provide facilities for the clearance and settlement of any derivative agreements, contracts, or transactions that are excluded from the Commodity Exchange Act, subject to the requirements of this section and to such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of this title.

(c)(1) Except as otherwise provided in this section, it shall be unlawful for any transfer agent, unless registered in accordance with this section, directly or indirectly, to make use of the mails or any means or instrumentality of interstate commerce to perform the function of a transfer agent with respect to any security registered under section 12 of this title or which would be required to be registered except for the exemption from registration provided by subsection (g)(2)(B) or (g)(2)(G) of that section. The appropriate regulatory agency, by rule or order, upon its own motion or upon application, may conditionally or unconditionally exempt any person or security or class of persons or securities from any provision of this section or any rule or regulation prescribed under this section, if the appropriate regulatory agency finds (A) that such exemption is in the public interest and consistent with the protection of investors and the purposes of this section, including the prompt and accurate clearance and settlement of securities transactions and the safeguarding of securities and funds, and (B) the Commission does not object to such exemption.

(2) A transfer agent may be registered by filing with the appropriate regulatory agency for such transfer agent an application for registration in such form and containing such information and documents concerning such transfer agent and any persons associated with the transfer agent as such appropriate regulatory agency may

⁶⁶So in law. Probably should be section 6(h)(7)(C).

prescribe as necessary or appropriate in furtherance of the purposes of this section. Except as hereinafter provided, such registration shall become effective 45 days after receipt of such application by such appropriate regulatory agency or within such shorter period of time as such appropriate regulatory agency may determine.

(3) The appropriate regulatory agency for a transfer agent, by order, shall deny registration to, censure, place limitations on the activities, functions, or operations of, suspend for a period not exceeding 12 months, or revoke the registration of such transfer agent, if such appropriate regulatory agency finds, on the record after notice and opportunity for hearing, that such denial, censure, placing of limitations, suspension, or revocation is in the public interest and that such transfer agent, whether prior or subsequent to becoming such, or any person associated with such transfer agent, whether prior or subsequent to becoming so associated—

(A) has committed or omitted any act, or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (H), or (G) of paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4); or

(B) is subject to an order entered pursuant to subparagraph (C) of paragraph (4) of this subsection barring or suspending the right of such person to be associated with a transfer agent.

(4)(A) Pending final determination whether any registration by a transfer agent under this subsection shall be denied, the appropriate regulatory agency for such transfer agent, by order, may postpone the effective date of such registration for a period not to exceed fifteen days, but if, after notice and opportunity for hearing (which may consist solely of affidavits and oral arguments), it shall appear to such appropriate regulatory agency to be necessary or appropriate in the public interest or for the protection of investors to postpone the effective date of such registration until final determination, such appropriate regulatory agency shall so order. Pending final determination whether any registration under this subsection shall be revoked, such appropriate regulatory agency, by order, may suspend such registration, if such suspension appears to such appropriate regulatory agency, after notice and opportunity for hearing, to be necessary or appropriate in the public interest or for the protection of investors.

(B) A registered transfer agent may, upon such terms and conditions as the appropriate regulatory agency for such transfer agent deems necessary or appropriate in the public interest, for the protection of investors, or in furtherance of the purposes of this section, withdraw from registration by filing a written notice of withdrawal with such appropriate regulatory agency. If such appropriate regulatory agency finds that any transfer agent for which it is the appropriate regulatory agency, is no longer in existence or has ceased to do business as a transfer agent, such appropriate regulatory agency, by order, shall cancel or deny the registration.

(C) The appropriate regulatory agency for a transfer agent, by order, shall censure or place limitations on the activities or functions of any person associated, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated with the transfer agent, or suspend for a period not exceeding 12 months or bar any such person from being associated with any transfer agent, broker, dealer, investment adviser, municipal securities dealer, municipal advisor, or nationally recognized statistical rating organization, if the appropriate regulatory agency finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person has committed or omitted any act, or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (H), or (G) or^[67] paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4). It shall be unlawful for any person as to whom such an order suspending or barring him from being associated with a transfer agent is in effect willfully to become, or to be, associated with a transfer agent without the consent of the appropriate regulatory agency that entered the order and the appropriate regulatory agency for that transfer agent. It shall be unlawful for any transfer agent to permit such a person to become, or remain, a person associated with it without the consent of such appropriate regulatory agencies, if the transfer agent knew, or in the exercise of reasonable care should have known, of such order. The Commission may establish, by rule, procedures by which a transfer agent reasonably can determine whether a person associated or seeking to become associated with it is subject to any such order, and may require, by rule, that any transfer agent comply with such procedures.

(d)(1) No registered clearing agency or registered transfer agent shall, directly or indirectly, engage in any activity as clearing agency or transfer agent in contravention of such rules and regulations (A) as the Commission may prescribe as necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of this title, or (B) as the appropriate regulatory agency for such clearing agency or transfer agent may prescribe as necessary or appropriate for the safeguarding of securities and funds.

(2) With respect to any clearing agency or transfer agent for which the Commission is not the appropriate regulatory agency, the appropriate regulatory agency for such clearing agency or transfer agent may, in accordance with section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), enforce compliance by such clearing agency or transfer agent with the provisions of this section, sections 17 and 19 of this title, and the rules and regulations thereunder. For purposes of the preceding sentence, any violation of any such provision shall constitute adequate basis for the issuance of an order under section 8(b) or 8(c) of the Federal De-

⁶⁷So in law. Probably should be "of".