

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE  
FOR THE STATE OF TENNESSEE, AT NASHVILLE**

<b>TENNESSEE SECURITIES DIVISION,</b>	)	
<b>Petitioner,</b>	)	
	)	
<b>vs.</b>	)	<b>Order No. 10-001</b>
	)	<b>(SI-2008-010)</b>
<b>CREDIT SUISSE SECURITIES (USA)</b>	)	
<b>LLC</b>	)	
<b>Respondent.</b>	)	

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**CONSENT ORDER**

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The Tennessee Securities Division (“Division”) and Credit Suisse Securities (USA) LLC (“Credit Suisse”) agree to the entry of this Consent Order in accordance with TENN. CODE ANN. § 48-2-116 of the Tennessee Securities Act of 1980, as amended, TENN. CODE ANN. §§ 48-2-101, *et seq.* (“Act”), which states that the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”) may from time to time make such orders as are necessary to carry out the provisions of the Act.

Respondent, Credit Suisse, hereby stipulates and agrees, subject to the approval of the Commissioner, as follows:

**RESPONDENT**

1. WHEREAS, at all times relevant herein, the Respondent, Credit Suisse, a limited liability company organized under the laws of the state of Delaware, has been and remains a securities dealer registered with the Division under the provisions of the Act with a Central Registration Depository (“CRD”) number of 816. In addition, Credit Suisse is a registered securities broker-dealer and an investment adviser covered under federal law offering brokerage

and investment products and services to investors across the United States of America; and

2. WHEREAS, coordinated investigations of the activities of Credit Suisse and its affiliates in connection with its marketing and sales practices for investment products generally known as "auction rate securities" ("ARS") have been conducted by a multistate task force composed of members of the North American Securities Administrators Association Inc. ("NASAA") of which the State of Tennessee is a participating member; and

3. WHEREAS, Credit Suisse has cooperated with regulators conducting the investigations by responding to inquiries, providing documentary evidence and other materials, and providing regulators with access to facts relating to the investigations; and

4. WHEREAS, Credit Suisse has advised regulators of its agreement to resolve the investigations relating to its marketing and sales practices to certain investors in ARS; and

5. WHEREAS, Credit Suisse, without admitting or denying the Findings of Fact or Conclusions of Law set forth below, agrees to take certain actions and to make certain payments; and

6. WHEREAS, Credit Suisse elects to permanently waive any right to a hearing and appeal under TENN. CODE ANN. § 4-5-101 *et seq.*, with respect to this Consent Order ("Order");

7. NOW, THEREFORE, the Commissioner, as administrator of the Act (TENN. CODE ANN. §§ 48-2-101, *et seq.*), hereby enters this Order:

**I.**

**FINDINGS OF FACT**

8. Credit Suisse admits that this matter is within the subject matter jurisdiction of the State of Tennessee, Department of Commerce and Insurance, Securities Division ("Division") and that it is personally subject to the jurisdiction of the Division. Credit Suisse expressly

waives any right to a hearing, the making of findings of fact and conclusions of law, and all further proceedings before the Commissioner to which it may be entitled under the Act, or any other law. Credit Suisse expressly waives all rights to seek judicial review or otherwise challenge the validity of this Order.

9. Credit Suisse neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order, and consents to the entry of this Order by the Division.

### **DEFINITIONS**

10. For the purposes of this Order:

(a) "Auction rate securities" ("ARS") are long-term debt or equity instruments that include auction rate preferred shares of closed-end funds, municipal auction rate bonds, and various asset-backed auction rate bonds. Some ARS products have maturity dates of 20 years or longer; auction rate preferred shares of certain closed-end funds have no maturity date whatsoever. While ARS are all long-term instruments, one significant feature of ARS, which historically provided the potential for short-term liquidity, is that the variable interest rates reset through a bidding process known as a Dutch auction that occurred in varying increments, generally between seven (7) and forty-two (42) days. At a Dutch auction, bidders generally state the number of ARS they wish to purchase and the minimum interest rate they are willing to accept. Bids are then ranked, from lowest to highest, according to the minimum interest rate each bidder is willing to accept. The lowest interest rate required to sell all of the ARS available at auction, known as the "clearing rate," becomes the rate paid to all holders of that particular security until the next auction. If an auction is successful, investors wishing to sell are able to exit the ARS market on a short-term basis. When there are not enough orders to purchase all of the ARS being sold, a "failed" auction occurs. If an auction fails, investors are required to hold

all or some of their ARS until the next successful auction in order to liquidate their funds, or they may attempt to sell those ARS in a secondary market transaction, if such a secondary market even exists and is functioning. Beginning in February 2008, the ARS market experienced widespread and repeated failed auctions.

(b) "Individual Investor" means any natural person who purchased ARS from or through a Credit Suisse account prior to February 14, 2008, and also includes

(i) legal entities acting as an investment vehicle for family members, including but not limited to IRA accounts, Trusts, Family Limited Partnerships, and other legal entities performing a similar function;

(ii) charities and non-profits; and

(iii) small- to medium-sized businesses with up to \$10 million in assets in accounts with Credit Suisse, any of which purchased ARS from or through Credit Suisse prior to February 14, 2008. Notwithstanding any other provision, "Individual Investor" does not include broker-dealers, banks, Registered Investment Advisers, other investment firms or investment institutions regardless of whether any of the foregoing were acting for their own account or as conduits for their customers.

(c) "Institutional Investor" means any other legal entity not meeting the definition of "Individual Investor" in paragraph I.10 (b), above, and which purchased ARS from or through a Credit Suisse account.

(d) "Proceedings" include, but are not limited to, any meetings, interviews, depositions, hearings, trials, grand jury proceedings, or any other proceedings.

(e) "The representative specified by NASAA" is the North Carolina Secretary of State as Securities Administrator, or her lawfully authorized designee.

(f) All other words, terms, and phrases used in this Order shall have the usual and ordinary meanings given to them in everyday speech, and are to be taken and understood in their plain, ordinary, and popular sense.

## EVENTS

11. Credit Suisse was an underwriter of a limited number of offerings of ARS. Credit Suisse also acted as a manager for certain issues of ARS. When acting as a sole manager, Credit Suisse was the only firm that could submit bids into the auction on behalf of its clients and/or other broker-dealers who wanted to buy and/or sell any ARS. When acting as a co-lead manager, Credit Suisse and the other co-lead managers could directly submit orders into the auction, while other broker-dealers were able to submit orders on behalf of their clients and on their own behalf into the auction through a co-lead manager. Credit Suisse received revenue in connection with ARS, including underwriting fees representing a percentage of total issuance and a fee for managing the auctions.

12. From time to time over many years, Credit Suisse submitted support bids, or purchase orders, for some or all of an ARS issue for which it acted as the sole or lead manager. Support bids were Credit Suisse's proprietary orders that would be filled, in whole or in part, if there was otherwise insufficient demand in an auction. When Credit Suisse purchased ARS through support bids, those ARS were then owned by Credit Suisse and were recorded on Credit Suisse's balance sheet.

13. Because investors could not ascertain how much of an auction was filled through proprietary bids of Credit Suisse and other firms acting as sole or lead managers, they could not determine if auctions were clearing because of normal marketplace demand, or because Credit Suisse and other firms acting as lead managers were supporting the auctions through their own

proprietary purchase orders. Generally, investors also were not aware of the extent to which the ARS market was dependent upon Credit Suisse's and other broker-dealers' use of support bids for its successful operation. While Credit Suisse could track its own inventory as a measure of the supply and demand for ARS for which it was a sole, lead, or co-lead manager, ordinary investors had no comparable ability to assess the operation of the market. There was no way for those investors to monitor supply and demand in the market or to assess when broker-dealers might decide to stop supporting the market, which could cause numerous and repeated auction failures.

14. In August 2007, the credit crisis and other deteriorating market conditions strained the ARS market. Some institutional investors withdrew from the market, decreasing demand for ARS.

15. The potential for a market dislocation should have been evident to Credit Suisse. In those auctions where Credit Suisse was a lead manager, Credit Suisse's support bids filled the increasing gap between the supply of and the demand for ARS, maintaining the impression that the auction process was functioning. From Fall 2007 until February 2008, demand for ARS continued to erode and Credit Suisse's inventory of ARS grew. Credit Suisse was aware of increasing strains on the ARS market and increasingly questioned the viability of the ARS market. On January 28, 2008, Credit Suisse provided written disclosure of these increasing risks of owning or purchasing ARS to its customers; prior to that date, certain of its representatives did not fully disclose those increasing risks to certain of their clients.

16. In February 2008, Credit Suisse and other broker-dealers stopped supporting the auctions. Without the benefit of support bids, the ARS market collapsed, leaving investors who thought they were buying liquid, short-term investments instead holding long-term or perpetual securities that they were unable to sell at par value.

17. In certain instances, Credit Suisse representatives told certain of the firm's customers that ARS were liquid investments that were alternatives to money market funds as part of a strategy for cash management. Specifically, certain employees acting on behalf of Credit Suisse represented to certain investors that ARS were highly liquid, highly rated alternatives to money market investments and other cash-equivalent investments.

18. In the context of the offer and sale of ARS, the failure of certain employees acting on behalf of Credit Suisse to adequately state complete facts concerning ARS constituted a violation of TENN. CODE ANN. § 48-2-112(a)(2)(G).

19. The Division received complaints from Tennessee investors who purchased ARS from Credit Suisse during the time specified in this Order.

20. Credit Suisse, by failing reasonably to supervise its registered salesmen under the Act, as described in these Findings of Fact, has violated TENN. CODE ANN. § 48-2-112(a)(2)(J).

#### **ACTION NECESSARY TO PROTECT PUBLIC**

21. Action by the Division to halt further conduct by Credit Suisse in violation of the Act is necessary and appropriate, in the public interest and necessary for the protection of investors, and is consistent with the purposes fairly intended by the policy and provisions of the Act.

22. The undersigned, Credit Suisse, agrees that this Order contains, constitutes, and embodies the entire agreement between the undersigned, there being no agreement of any kind, verbal or otherwise, which varies, alters, or adds to this Order; and that this Order supersedes any prior communication, understanding, or agreement, whether written or oral, concerning the subject matter of this Order.

23. The undersigned, Credit Suisse, agrees that the presentation of this Order to the Commissioner without the undersigned, Credit Suisse, or any counsel for Credit Suisse being present shall not constitute an improper *ex parte* communication between the Commissioner and the Division or counsel for the Division.

24. Credit Suisse, by execution of this Order, affirmatively states that it has freely agreed to the signing of this Order, and that no threats, promises, representations, inducements, or offers of any kind, other than as stated in this document, have been made by the Division or any member of the staff of the Division, or any agent or employee of the Division in connection with the signing of this Order.

25. Based upon the foregoing Findings of Fact, and consistent with the consent of Credit Suisse, the Division makes the following:

## II.

### CONCLUSIONS OF LAW

1. The Commissioner (“Commissioner”) of the State of Tennessee, Department of Commerce and Insurance, Securities Division (“Division”) has jurisdiction over the subject matter of securities transactions with persons in Tennessee and the person of Credit Suisse under the Act.

2. As described in the Findings of Fact, Credit Suisse violated TENN. CODE ANN. § 48-2-112(a)(2)(J) by its failure to reasonably supervise certain of its registered salesmen in their communication of material information concerning ARS.

3. By reason of the matters described in the Findings of Fact, Credit Suisse engaged in dishonest and unethical practices through the activities of certain of its registered salesmen

who violated TENN. CODE ANN. § 48-2-112(a)(2)(G) by failing to adequately state complete facts concerning ARS.

4. Action by the Division against Credit Suisse pursuant to the cited provisions of the Act is necessary and appropriate, in the public interest and necessary for the protection of investors, and is consistent with the purposes fairly intended by the policy and provisions of the Act.

### **III.**

#### **ORDER**

On the basis of the Findings of Fact, Conclusions of Law, and Credit Suisse's consent to the entry of this Order,

#### **IT IS HEREBY ORDERED:**

1. This Order terminates the investigation by the Division with respect to Credit Suisse's marketing and sale of ARS to Individual Investors. However, nothing herein limits the ability of the Division, individually or jointly with other States, in pursuing any investigation with respect to any individual concerning Credit Suisse's marketing and sale of ARS, whether that individual is associated with Credit Suisse or otherwise; and specifically excluded from and not covered by this paragraph are any claims by the Division arising from or relating to the Order provisions contained herein.

2. This Order is entered into solely for the purpose of resolving the previously referenced multistate investigation, and is not intended to be used for any other purpose.

3. Credit Suisse will CEASE AND DESIST from violating the Tennessee Securities Act of 1980, as amended and will comply with the Act and any and all rules and regulations promulgated thereunder.

4. Within ten (10) days following the entry of this Order, Credit Suisse shall pay to the State of Tennessee the sum of three hundred ninety six thousand eighty two dollars and sixty two cents (\$396,082.62). That amount constitutes Tennessee's allocated share of the fifteen million dollars (\$15,000,000.00) total settlement payment that Credit Suisse has agreed to make to those states and territories that enter administrative or civil consent orders approving the terms of the NASAA settlement and to the State of New York, allocated according to a formula determined and set by NASAA and the State of New York. The payment to the Division shall be dispersed as follows:

A. Three hundred thousand dollars (\$300,000.00) shall be paid pursuant to the instructions included in wire transfer information submitted by the Division to Respondent, via electronic mail to its counsel; and

B. Ninety six thousand eighty two dollars and sixty two cents (\$96,082.62), designated for the Securities Division – Investor Education Fund, shall be paid by mailing a check, made payable to State of Tennessee – Securities Division [with a notation in the memo line “Investor Education Fund”], to the following address:

State of Tennessee  
Department of Commerce and Insurance  
Securities Division  
Attention: Broker Dealer Section  
Davy Crockett Tower, Suite 680  
500 James Robertson Parkway  
Nashville, Tennessee 37243

5. In the event another state securities regulator determines not to accept Credit Suisse's offer of settlement and does not enter an administrative or civil consent order approving the terms of the NASAA settlement, the total amount of Tennessee's allocated payment shall not

be affected, and shall remain at three hundred ninety six thousand eighty two dollars and sixty two cents (\$396,082.62).

6. Credit Suisse shall not claim, assert, or apply for a tax deduction or tax credit with regard to any state, federal, or local tax for any administrative monetary payment that Credit Suisse shall pay pursuant to this Order.

7. Credit Suisse shall fully and fairly comply with all of the following requirements:

A. As soon as practicable after September 23, 2008, Credit Suisse will have offered to purchase at par ARS that since February 14, 2008, have not been successfully auctioning from Individual Investors who purchased those ARS from or through a Credit Suisse account prior to February 14, 2008;

B. Credit Suisse shall have purchased such securities from investors who accepted this offer prior to December 11, 2008, by that date;

C. Credit Suisse shall keep such offer open until December 31, 2009, and promptly shall purchase such securities from any Individual Investor who accepts the offer between December 11, 2008, and December 31, 2009;

D. Credit Suisse promptly will have provided notice to customers of the settlement terms publicly announced on September 16, 2008, and Credit Suisse promptly will have established a dedicated telephone assistance line, with appropriate staff, to respond to questions from customers concerning the terms of the settlement;

E. No later than December 11, 2008, any Individual Investor that Credit Suisse could reasonably identify who sold ARS in a Credit Suisse account below par between February 14, 2008, and September 16, 2008, will have been paid by Credit Suisse the difference between par and the price at which the Individual Investor sold

those ARS;

F. No later than December 11, 2008, Credit Suisse shall have notified all Individual Investors that a public arbitrator (as defined by section 12100(u) of the *NASD Code of Arbitration Procedure for Customer Disputes*, effective April 16, 2007), under the auspices of the Financial Industry Regulatory Authority (“FINRA”), will be available for the exclusive purpose of arbitrating any Individual Investor’s consequential damages claim. Arbitration shall be conducted by public arbitrators and Credit Suisse will pay all applicable forum and filing fees. Any Individual Investors who choose to pursue such claims shall bear the burden of proving that they suffered consequential damages and that such damages were caused by investors’ inability to access funds consisting of investors’ ARS holdings in Credit Suisse accounts. Credit Suisse shall be able to defend itself against such claims; provided, however, that Credit Suisse shall not contest in these arbitrations liability related to the sale of ARS; and further provided that Credit Suisse shall not be able to use as part of its defense an Individual Investor’s decision not to borrow money from Credit Suisse. Punitive damages, or any other type of damages other than consequential damages, shall not be available in the arbitration proceedings;

G. Credit Suisse shall endeavor to work with issuers and other interested parties, including regulatory and governmental entities, to expeditiously provide liquidity solutions for Institutional Investors;

H. Beginning December 11, 2008, and then quarterly after that, Credit Suisse shall submit a written report to the representative specified by NASAA outlining the efforts in which Credit Suisse has engaged and the results of those efforts with respect to Credit Suisse’s Institutional Investors’ holdings in ARS;

I. Credit Suisse shall confer with the representative specified by NASAA no less frequently than quarterly to discuss Credit Suisse's progress to date;

J. Such quarterly reports shall continue until no later than December 31, 2009;

K. Following every quarterly report, the representative specified by NASAA will advise Credit Suisse of any concerns and, in response, Credit Suisse shall discuss with the representative specified by NASAA how it plans to address such concerns;

L. Credit Suisse shall make its best efforts to identify Individual Investors who took out loans from Credit Suisse, between February 14, 2008, and December 11, 2008, that were secured by ARS that were not successfully auctioning at the time the loan was taken out from Credit Suisse, and who paid interest associated with the auction-rate-securities-based portion of those loans in excess of the total interest and dividends received on the ARS during the duration of the loan. Credit Suisse shall reimburse such customers for the excess expense, plus reasonable interest, of the loan. Such reimbursement shall occur no later than March 31, 2009. This paragraph does not apply to margin loans;

M. Credit Suisse shall, upon request by the Division, provide all documentation and information reasonably necessary for the Division to verify compliance with this Order;

N. Credit Suisse shall not take any action, or make or permit to be made any public statement, denying, directly or indirectly, any finding in this Order or creating the impression that this Order is without factual basis. Nothing in this paragraph affects Credit Suisse's (a) testimonial obligations; or (b) right to take legal or factual positions in

defense of litigation or other legal proceedings to which the Division is not a party; and

O. Credit Suisse shall cooperate fully and promptly with the Division and shall use its best efforts to ensure that all of the current and former officers, directors, trustees, agents, members, partners, and employees of Credit Suisse (and of any of Credit Suisse's parent companies, subsidiaries, or affiliates) cooperate fully and promptly with the Division in any pending or subsequently initiated investigation, litigation, or other proceeding relating to ARS and/or the subject matter of this Order. Such cooperation shall include, without limitation, and on a best efforts basis:

(1) production, voluntarily and without service of subpoena, upon the request of the Division, of all documents or other tangible evidence requested by the Division and any compilations or summaries of information or data that the Division requests that Credit Suisse (or Credit Suisse's parent companies, subsidiaries, or affiliates) prepare, except to the extent such production would require the disclosure of information protected by the attorney-client and/or work product privileges;

(2) without the necessity of a subpoena, having the current (and making all reasonable efforts to cause the former) officers, directors, trustees, agents, members, partners, and employees of Credit Suisse (and of any of Credit Suisse's parent companies, subsidiaries, or affiliates) attend any proceedings, in Tennessee or elsewhere, at which the presence of any such persons is requested by the Division, and having such current (and making all reasonable efforts to cause the former) officers, directors, trustees, agents, members, partners, and employees answer any and all inquiries that may be put by the Division to any of

them at any proceedings or otherwise, except to the extent such production would require the disclosure of information protected by the attorney-client and/or work product privileges;

(3) fully, fairly, and truthfully disclosing all information and producing all records and other evidence in its possession, custody, or control (or the possession, custody, or control of Credit Suisse's parent companies, subsidiaries, or affiliates) relevant to all inquiries made by the Division concerning the subject matter of this Order, except to the extent such inquiries call for the disclosure of information protected by the attorney-client and/or work product privileges; and

(4) making outside counsel reasonably available to provide comprehensive presentations concerning any internal investigation relating to all matters in this Order and to answer questions, except to the extent such presentations or questions call for the disclosure of information protected by the attorney-client and/or work product privileges.

8. The cooperation provisions set forth in Paragraph III.7.O, above is not intended, nor is it a reasonable construction of such provisions, to require Credit Suisse (or any of its parent companies, subsidiaries, or affiliates, or any of their current or former officers, directors, or employees) to violate any foreign or domestic law or regulation in complying with those provisions. Credit Suisse shall promptly notify the Division if any request under those cooperation provisions have been construed to require that Credit Suisse (or any of its parent companies, subsidiaries, or affiliates, or any of their current or former officers, directors, or employees) violate any foreign or domestic law or regulation. In such circumstances, the

Division shall act in cooperation with Credit Suisse towards reaching a resolution that would not require a violation of such laws or regulations.

9. In consideration of Credit Suisse's agreement to resolve the previously referenced multistate investigation relating to its marketing and sales practices for ARS, and its agreement to fully comply with all the terms of this Order, the Division will have refrained from taking legal action against Credit Suisse with respect to its Institutional Investors until at least December 11, 2008, and will not seek additional monetary payments from Credit Suisse relating to Credit Suisse's marketing and sale of ARS.

10. If payment is not made timely by Credit Suisse, or if Credit Suisse defaults in any of its obligations set forth in this Order, the Division may vacate this Order, at its sole discretion, upon ten (10) days notice to Credit Suisse and without opportunity for administrative hearing, or may refer this matter for enforcement as provided in the Act (TENN. CODE ANN. §§ 48-2-101, *et seq.*)

11. Nothing herein shall preclude the State of Tennessee, its departments, agencies, boards, commissions, authorities, political subdivisions, and corporations (collectively, "State Entities"), other than the Division and then only to the extent set forth in Paragraphs III.1 and III.9, and the officers, agents, or employees of State Entities from asserting any claims, causes of action, or applications for compensatory, nominal and/or punitive damages, administrative, civil, criminal, or injunctive relief against Credit Suisse in connection with the marketing and sale of ARS by Credit Suisse.

12. This Order is not intended to indicate that Credit Suisse or any of its affiliates or current or former employees shall be subject to any disqualifications contained in the federal securities law, the rules and regulations thereunder, the rules and regulations of self regulatory

organizations or various states' securities laws including any disqualifications from relying upon the registration exemptions or safe harbor provisions. In addition, this Order is not intended to form the basis for any such disqualifications.

13. For any person or entity not a party to this Order, this Order does not limit or create any private rights or remedies against Credit Suisse including, without limitation, the use of any e-mails or other documents of Credit Suisse or of others for ARS practices, limit or create liability of Credit Suisse, or limit or create defenses of or for Credit Suisse to any claims.

14. This Order shall not disqualify Credit Suisse or any of its affiliates or current or former employees from any business that they otherwise are qualified or licensed to perform under applicable state law and this Order is not intended to form the basis for any disqualification.

15. This Order and any dispute related thereto shall be construed and enforced in accordance with, and governed by, the laws of the State of Tennessee without regard to any choice of law principles.

16. This Order shall be binding upon Credit Suisse and its affiliates, its successors and assigns as well as the successors and assigns of relevant affiliates, with respect to all conduct subject to the provisions above, and all future obligations, responsibilities, undertakings, commitments, limitations, restrictions, events, and conditions under the above provisions.

17. This Order contains, constitutes, and embodies the entire agreement between the undersigned, there being no agreement of any kind, verbal or otherwise, which varies, alters, or adds to this Order; and this Order supersedes any prior communication, understanding, or agreement, whether written or oral, concerning the subject matter of this Order.

18. In the event that one or more provisions contained in this Order shall for any

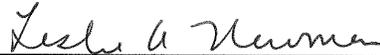
reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Order.

19. By its consent to and execution of this Order, Credit Suisse affirmatively represents that it freely agrees to the signing of this Order by the Division, and that no threats, promises, representations, inducements, or offers of any kind, other than as stated in this document, have been made by the Division, any member of the staff of the Division, or any agent or employee of the Division in connection with the negotiation and signing of this Order.

20. This Order shall become final upon execution by the Commissioner.

Dated this 16<sup>th</sup> day of March, 2010.

**BY ORDER OF:**



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Leslie A. Newman  
Commissioner  
Tennessee Department of Commerce and Insurance  
Securities Division

**CONSENT TO ENTRY OF FINAL ORDER  
BY CREDIT SUISSE SECURITIES (USA) LLC**

Credit Suisse Securities (USA) LLC (hereinafter "Credit Suisse") hereby acknowledges that it has been served with a copy of this Consent Order ("Order") has read this Order, is aware of its right to a hearing and appeal in this matter, and has waived the same.

Credit Suisse admits the jurisdiction of the Tennessee Department of Commerce and Insurance, Securities Division ("Division"), neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order, and consents to entry of this Order by the Division.

Credit Suisse states that no promise of any kind or nature whatsoever was made to it to induce it to enter into this Order and that it has entered into this Order voluntarily.

Credit Suisse agrees that it shall not claim, assert, or apply for a tax deduction or tax credit with regard to any state, federal, or local tax for any administrative monetary payment that Credit Suisse shall pay pursuant to this Order.

Pierre M. Gentin represents that he/she is the MANAGING DIRECTOR of Credit Suisse and that, as such, has been authorized by Credit Suisse to enter into this Order for and on behalf of Credit Suisse.

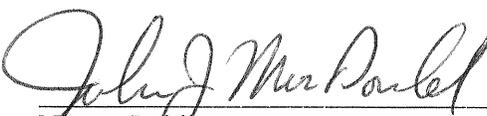
Dated this the 17<sup>th</sup> day of February, 2010.

**CREDIT SUISSE SECURITIES (USA) LLC**

By:   
Title: MANAGING DIRECTOR

STATE OF New York  
COUNTY OF New York

SUBSCRIBED AND SWORN TO before me this 17<sup>th</sup> day of February, 2010.

  
Notary Public

My commission expires: May 18, 2010

**JOHN J. MacDONALD**  
Notary Public, State Of New York  
No. 01MA6007204  
Qualified In New York County  
Commission Expires May 18, 2010