
SEC Amends Rules 144 and 145

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On December 6, 2007, the Securities and Exchange Commission ("SEC") amended Rules 144 and 145 under the Securities Act of 1933 (the "Securities Act") to shorten the holding period required for restricted securities of reporting companies under Rule 144, eliminate the presumptive underwriter provision in Rule 145 and revise the resale requirements in Rule 145(d). (1) As the SEC noted in the proposing release, the revisions are intended to increase the liquidity of privately sold securities and reduce companies' cost of capital, while maintaining investor protections. (2) These amendments will be effective February 15, 2008 and will apply to securities acquired before or after that date. The following memorandum contains a summary of Rules 144 and 145 and the adopted amendments thereto. A table included in the SEC adopting release which summarizes the key changes in Rule 144 is set forth on Annex A.

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