
Section 16 Reporting Update: SEC Allows Aggregate Form 4 and Form 5 Reporting of Same-Day, Same-Way Open Market Transactions

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On June 25, the Securities and Exchange Commission issued a no-action letter to the Society of Corporate Secretaries & Corporate Governance Professionals indicating that it would allow "aggregate reporting of sameday, same-way open market purchases or sales on Form 4 and Form 5 under Section 16(a) of the Securities Exchange Act of 1934."¹ This effectively relaxes the current rule, embodied in Instruction 4(a)(ii) to Form 4 and Form 5, whereby Section 16 filers were required to report all transactions for different prices on separate lines.²

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