
House Bill Would Require SEC to Study and Potentially Restrict Rule 10b5-1 Insider Trading Plans

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On January 28, 2019, in a bipartisan vote, the House of Representatives passed the Promoting Transparent Standards for Corporate Insiders Act (the "Act"),¹ a bill that would require the Securities and Exchange Commission (the "SEC") to carry out a study of Rule 10b5-1 trading plans and revise Rule 10b5-1 consistent with the study's results. The Act seeks to close perceived gaps in Rule 10b5-1 and curb abuses of Rule 10b5-1 trading plans by corporate insiders.

Attached is the firm memorandum discussing the Act.

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