



SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

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FOR IMMEDIATE RELEASE: Thursday, August 28

80-39

COMMISSION TO CONSIDER CORPORATE ACCOUNTABILITY REPORT AND NEW RULE REGARDING TRADING ON INSIDE INFORMATION

The Commission will consider, at an open meeting scheduled for next Thursday, whether to approve publication of a major report on corporate accountability, and whether to adopt a new rule relating to trading on the basis of inside information.

The meeting is scheduled to begin at 10 a.m. on Thursday, September 4, in the Commission Meeting Room, Room 825, at Commission headquarters, 500 North Capitol Street, Washington. Staff officials will participate in a briefing immediately following the meeting, in Room 876, to explain whatever action the Commission takes.

The staff report on corporate accountability is the result of a three-year study of the subject conducted by a special task force in the Division of Corporation Finance. The Commission will consider whether to approve release of the report and whether to authorize the staff to proceed to implement certain recommendations contained in it.

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Although copies of the 700-page report will not be available on Thursday, a comprehensive summary will be provided to reporters and other interested persons prior to the start of the Commission meeting. If the Commission approves release, it is anticipated that copies of the report will be available about two weeks after the meeting.

The insider trading rule to be considered Thursday would establish certain antifraud provisions with respect to trading by persons while in possession of material, nonpublic information relating to a tender offer. The rule, proposed Rule 14e-3, was originally proposed for comment, along with other proposed rules relating to tender offers, on November 29, 1979 and was subsequently published in the Federal Register on December 6, 1979.

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