



SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

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COMMISSION TO CONSIDER ADOPTION OF AMENDED SECURITY HOLDER PROPOSAL RULE

The Commission will consider, at an open meeting to be held next Tuesday, whether to adopt amendments to the rule that governs the process by which stockholders may submit proposals for inclusion in proxy statements.

The meeting is scheduled to begin at 9 a.m. on Tuesday, August 16, in the Commission Meeting Room, Room 1C30, at Commission headquarters, 450 Fifth Street, N.W. Washington. Staff officials will participate in a briefing immediately following the Commission meeting to explain whatever action the Commission takes.

The amended shareholder proposal rule is a result of the Commission's comprehensive review of the rules and regulations applicable to the solicitation of proxies. The review program is seeking to reduce disclosure burdens, consistent with investor protection, and to promote proxy statement readability.

On October 14, 1982, the Commission requested public comment on three alternative approaches to dealing with security holder proposals. Proposal I would retain the framework of current Rule 14a-8 but with certain revisions, including minimum eligibility requirements for amount and period of ownership. Proposal II would permit issuers

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and their security holders to adopt their own procedures governing access to the issuer's proxy statement, subject to certain minimum standards prescribed by the Commission. Proposal III would require, subject to a numerical limit, the inclusion of any proposal proper under state law except those involving the election of directors. It would permit relatively unfettered access to an issuer's proxy statement.

As a result of comments received and further study, the Commission will consider the adoption of one of these approaches and certain proposed revisions to various interpretations under existing Rule 14a-8.

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