NEWS

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
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FOR RELEASE: Thursday, August 23 84-43

COMMISSION TO CONSIDER FINANCING PROPOSAL FOR EDGAR AND OFFERING EXEMPTIONS UNDER REGULATION E

At an open meeting on Thursday, August 30, at 2:30 p.m., the Commission will consider whether to solicit public comments on a financing proposal for the operational phases of EDGAR. It will also consider whether to adopt amendments to update and streamline the provisions of Regulation E under the Securities Act of 1933.

The meeting will be in the Commission Meeting Room, Room 1C30, 450 Fifth Street, N.W., Washington, D.C. Staff officials will participate in a briefing immediately following the Commission meeting.

EDGAR, an acronym for Electronic Data Gathering Analysis and Retrieval, is a system to automate processing of documents filed with the Commission, and to accelerate the dissemination of corporate information to investors. On May 1, 1984 the Commission selected Arthur Andersen and Co., IBM and Dow Jones & Co., Inc. to develop and test a pilot of EDGAR. The pilot phase of EDGAR will extend to May 1986 and the first filing under the pilot is scheduled for September 24, 1984. The pilot phase of EDGAR is

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being funded by the SEC. The fully operational phase of EDGAR is expected to be funded by other sources. Suggestions have been received for funding sources for the fully operational EDGAR. The Commission must now begin to consider the means to fund the operational phase of EDGAR and to select a contractor.

In addition, the Commission will consider amendments to Regulation E to increase the size of offerings by Small Business Investment Companies (SBICs) registered under the Investment Company Act of 1940 from $500,000 to $5,000,000 and to increase the limits of SBIC offerings, without an offering circular from $50,000 to $100,000.

Other amendments to the Regulation which grant exemptions under the Securities Act of 1933 would: expand the base of potential issuers by permitting certain investment companies that elect to be treated as Business Development Companies (BDCs) under the 1940 Act to use the exemptions, permit the use of a preliminary offering circular in certain underwritten offerings and provide updated schedules of disclosure for Regulation E offerings of SBICs and BDCs that would be clearer and easier to use.

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