

## § 240.36a1-1

## 17 CFR Ch. II (4-1-01 Edition)

exchange or association, and such fee is to be computed on the basis of the option premium (market price) for the sale of the option. In the event of the exercise of an option, whether such option is traded on an exchange or otherwise, a section 31 fee is to be paid by the exchange or the national securities association itself, or the Options Clearing Corporation on behalf of the exchange or association, and such fee is to be computed on the basis of the exercise price of the option.

(a) The following shall be exempt from section 31 of the Act:

(1) Transactions in securities offered pursuant to an effective registration statement under the Securities Act of 1933 (except transactions in put or call options issued by the Options Clearing Corporation) or offered in accordance with an exemption from registration afforded by section 3(a) or 3(b) thereof (15 U.S.C. 77c(a) or 77c(b)), or a rule thereunder.

(2) Transactions by an issuer not involving any public offering within the meaning of section 4(2) of the Securities Act of 1933 (15 U.S.C. 77d(2));

(3) The purchase or sale of securities pursuant to and in consummation of a tender or exchange offer;

(4) The purchase or sale of securities upon the exercise of a warrant or right (except a put or call), or upon the conversion of a convertible security; and

(5) Transactions which are executed outside the United States and are not reported, or required to be reported, to a transaction reporting association as defined in §240.11Aa3-1 (Rule 11Aa3-1 under the Act) and any approved plan filed thereunder;

(b) Over-the-counter ("OTC") transactions in OTC securities which are subject to unlisted trading privileges on a national securities exchange shall be exempt only from section 31(c) of the Act. 7.

[Revised and amended at 61 FR 68594, Dec. 30, 1996]

### § 240.36a1-1 Exemption from Section 7 for OTC derivatives dealers.

PRELIMINARY NOTE: OTC derivatives dealers are a special class of broker-dealers that are exempt from certain broker-dealer requirements, including membership in a self-

regulatory organization (§240.15b9-2), regular broker-dealer margin rules (§240.36a1-1), and application of the Securities Investor Protection Act of 1970 (§240.36a1-2). OTC derivative dealers are subject to special requirements, including limitations on the scope of their securities activities (§240.15a-1), specified internal risk management control systems (§240.15c3-4), recordkeeping obligations (§240.17a-3(a)(10)), and reporting responsibilities (§240.17a-12). They are also subject to alternative net capital treatment (§240.15c3-1(a)(5)).

(a) Except as otherwise provided in paragraph (b) of this section, transactions involving the extension of credit by an OTC derivatives dealer shall be exempt from the provisions of section 7(c) of the Act (15 U.S.C. 78g(c)), provided that the OTC derivatives dealer complies with Section 7(d) of the Act (15 U.S.C. 78g(d)).

(b) The exemption provided under paragraph (a) of this section shall not apply to extensions of credit made directly by a registered broker or dealer (other than an OTC derivatives dealer) in connection with transactions in eligible OTC derivative instruments for which an OTC derivatives dealer acts as counterparty.

[63 FR 59404, Nov. 3, 1998]

### § 240.36a1-2 Exemption from SIPA for OTC derivatives dealers.

PRELIMINARY NOTE: OTC derivatives dealers are a special class of broker-dealers that are exempt from certain broker-dealer requirements, including membership in a self-regulatory organization (§240.15b9-2), regular broker-dealer margin rules (§240.36a1-1), and application of the Securities Investor Protection Act of 1970 (§240.36a1-2). OTC derivative dealers are subject to special requirements, including limitations on the scope of their securities activities (§240.15a-1), specified internal risk management control systems (§240.15c3-4), recordkeeping obligations (§240.17a-3(a)(10)), and reporting responsibilities (§240.17a-12). They are also subject to alternative net capital treatment (§240.15c3-1(a)(5)).

OTC derivatives dealers, as defined in §240.3b-12, shall be exempt from the provisions of the Securities Investor

**Securities and Exchange Commission**

**Pt. 241**

Protection Act of 1970 (15 U.S.C. 78aaa through 7811l).

[63 FR 59404, Nov. 3, 1998]

**Subpart B—Rules and Regulations  
Under the Securities Investor  
Protection Act of 1970 [Re-  
served]**

**PART 241—INTERPRETATIVE RELEASES RELATING TO THE SECURITIES EX-  
CHANGE ACT OF 1934 AND GENERAL RULES AND REGULATIONS  
THEREUNDER**

Subject	Release No.	Date	Fed. Reg. Vol. and Page
Excerpt from letter relating to section 16(a) .....	21	Oct. 1, 1934	11 FR 10968.
Statement by Commission to correct the erroneous impression created by certain commercial institutions with respect to the necessity for filing reports with the Commission.	68	July 22, 1934	Do.
Letter of General Counsel relating to section 16(a) .....	116	Mar. 9, 1935	Do.
Opinion of General Counsel relating to section 16(a) .....	175	Apr. 16, 1935	Do.
Excerpt from a general letter relating to section 16(a) .....	227	May 14, 1935	Do.
Opinion of the Director of the Division of Forms and Regulations discussing the definition of "parent" as used in various forms under the Securities Act of 1933 and the Securities Exchange Act of 1934.	1131	Apr. 7, 1937	Do.
Statement by Commission with respect to the purpose of the disclosure requirements of section 14 and the rules adopted thereunder.	1350	Aug. 13, 1937	11 FR 10969.
Opinion of Director of the Trading and Exchange Division relating to Rules X-15C1-6 (17 CFR 240.15c1-6) and X-10B-2 (17 CFR 240.10b-2).	1411	Oct. 7, 1937	Do.
Opinion of Director of the Trading and Exchange Division relating to Rule X-15C1-1(a) (17 CFR, 240.15c1-1a).	1462	Nov. 15, 1937	Do.
Partial text of letter of February 2, 1938, from the Secretary of the New York Stock Exchange to its members, relating to Rules X-3B-3 (17 CFR 240.3b-3), X-10A-1 (17 CFR 240.10a-1), and X-10A-2 (17 CFR 240.10a-2), together with a letter from Director of Trading and Exchange Division, concurring in the opinions expressed by the Exchange.	1571	Feb. 5, 1938	Do.
Opinion of General Counsel relating to section 16(a) .....	1965	Dec. 21, 1938	11 FR 10970.
Letter of General Counsel concerning the services of former employees of the Commission in connection with matters with which such employees become familiar during their course of employment with the Commission.	2066	May 5, 1939	11 FR 10971.
Statement of Commission and separate statement by Commissioner Healy on the problem of regulating the "pegging, fixing and stabilizing" of security prices under sections 9(a)(2), 9(a)(6) and 15(c)(1) of the Securities Exchange Act.	2446	Mar. 18, 1940	Do.
Statement of Commission respecting distinctions between the reporting requirements of section 16(a) of the Securities Exchange Act of 1934 and section 30(f) of the Investment Company Act of 1940.	2687	Nov. 16, 1940	11 FR 10981.
Statement of Commission issued in connection with the adoption of Rules X-8C-1 (17 CFR, 240.8c-1) and X-15C2-1 (17 CFR, 240.15c 2-1) under the Securities Exchange Act of 1934 relating to the hypothecation of customers' securities by members of national securities exchanges and other brokers and dealers.	2690	Nov. 15, 1940	11 FR 10982.
Opinion of General Counsel relating to paragraph (b)(2)(ii) of Rules X-8C-1 (17 CFR, 240.8c-1) and X-15C2-1 (17 CFR, 240.15C 2-1) under the Securities Exchange Act.	2822	Mar. 17, 1941	11 FR 10983.
Partial text of letter sent by Director of the Trading and Exchange Division to certain securities dealers who had failed to keep records of the times of their securities transactions, as required by Rules X-17A-3 (17 CFR, 240.17a-3) and X-17A-4 (17 CFR, 240.17a-4) under the Securities Exchange Act.	3040	Oct. 13, 1941	11 FR 10984.
Opinion of General Counsel relating to the anti-manipulation provisions of sections 9(a)(2), 10(b) and 15(c)(1) of the Securities Exchange Act of 1934, as well as section 17(a) of the Securities Act of 1933.	3056	Oct. 27, 1941	Do.
Opinion of Chief Counsel to the Corporation Finance Division relating to when-issued trading of securities the issuance of which has already been approved by a Federal district court under Chapter X of the Bankruptcy Act.	3069	Jan. 4, 1945	11 FR 10985.
Statement of Commission policy with respect to the acceleration of the effective date of a registration statement.	3085	Dec. 6, 1941	Do.

Subject	Release No.	Date	Fed. Reg. Vol. and Page
Letter of Director of the Corporation Finance Division relating to sections 14 and 18.	3380	Feb. 2, 1943	Do.
Excerpts from letters of Director of the Corporation Finance Division relating to section 14 and Schedule 14A under Regulation X-14 (17 CFR, 240.14a-9).	3385	Feb. 17, 1943	Do.
Opinion of Director of the Trading and Exchange Division relating to the anti-manipulation provisions of sections 9(a)(2), 10(b), and 15(c)(1) of the Securities Exchange Act of 1934, and 17(a) of the Securities Act of 1933.	3505	Nov. 16, 1943	11 FR 10986.
Opinion of Director of the Trading and Exchange Division relating to the anti-manipulation provisions of sections 9(a)(2), 10(b), and 15(c)(1) of the Securities Exchange Act of 1934, and 17(a) of the Securities Act of 1933.	3506	Nov. 16, 1943	11 FR 10987.
Statement of the Commission relating to the anti-fraud provisions of section 17(a) of the Securities Act of 1933, and sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934.	3572	June 1, 1944	Do.
Letter of Director of the Corporation Finance Division relating to section 20 and to Rule X-14A-7 (17 CFR, 240.14a-7) under the Securities Exchange Act of 1934.	3638	Jan. 3, 1945	11 FR 10988.
Statement by Commission relating to section 3(a)(1) .....	3639	Jan. 4, 1945	Do.
Statement of the Commission in connection with the adoption of certain amendments to Form 3-M, one of the forms for registration of over-the-counter brokers or dealers under section 15(b) of the Securities Exchange Act of 1934, and to Rule X-15B-2 (17 CFR, 240.15b-2), the rule governing the filing of supplemental statements to such applications.	3674	Apr. 9, 1945	Do.
Statement by Commission relating to the adoption of Rule X-13A-6B (17 CFR, 240.13a-6b).	3803	Mar. 28, 1946	Do.
Statement of the Commission in connection with notice of opportunity to submit proposals for regulations or legislation regarding the stabilization of market prices by persons offering securities to the public.	4163	Sept. 16, 1948	13 FR 4163.
Statement of the Commission accompanying November 5, 1948, revision of § 240.14 of this chapter (Regulation X-14).	4185	Nov. 5, 1948	13 FR 6680.
Opinion of the General Counsel, relating to the use of "hedge clauses" by brokers, dealers, investment advisers, and others.	4593	Apr. 18, 1951	16 FR 3387.
Statement of the Commission regarding public offerings of investment contracts providing for the acquisition, sale or servicing of mortgages or deeds of trust.	5633	Jan. 31, 1958	23 FR 841.
Statement of the Commission as to the applicability of the Federal securities laws to real estate investment trusts.	6419	Nov. 18, 1960	25 FR 12178.
Statement of the Commission concerning standards of conduct for registered broker-dealers in the distribution of unregistered securities.	6721	Feb. 2, 1962	27 FR 1251.
Opinion of Philip A. Loomis, Jr., Director of Division of Trading and Exchanges of the Commission, on the application of section 11(d)(1), Securities Exchange Act of 1934, to broker-dealers engaged in "equity funding", "secured funding", and "life funding".	6726	Feb. 8, 1962	27 FR 1415.
Statement of the Commission cautioning broker-dealers about violating the anti-fraud provisions of the Federal securities laws when making short sales in which they delay effecting the covering transaction to acquire the security.	6778	Apr. 16, 1962	27 FR 3991.
Statement of Commission showing circumstances in 7 cases where profits in real estate transactions were not earned at time transactions were recorded but that the sales were designed to create the illusion of profits or value as a basis for the sale of securities.	6982	Dec. 28, 1962	28 FR 276.
Answer of the Commission to four questions relating to the solicitation of proxies.	7078	May 15, 1963	28 FR 5133.
Statement by the Commission on the maintenance of rec-ords of transactions by brokers-dealers as underwriters of investment company shares according to Rule 17a-3 under section 17(a) of the Securities Exchange Act of 1934 (17 CFR 240.17a-3).	7169	Nov. 13, 1963	28 FR 12617.
Opinion of the General Counsel relating to participation by broker-dealer firms in proxy solicitations.	7208	Jan. 7, 1964	29 FR 341.
Statement of the Commission re applicability of Securities Act of 1933 to offerings of securities outside the U.S. and re applicability of section 15(a) of the Securities Exchange Act of 1934 to foreign underwriters as part of program of Presidential Task Force to reduce U.S. balance of payments deficit and protect U.S. gold reserves.	7366	July 9, 1964	29 FR 9828.
Summary and interpretation by the Commission of amendments to the Securities Act of 1933 and Securities Exchange Act of 1934 as contained in the Securities Acts Amendments of 1964.	7425	Sept. 14, 1964	29 FR 13455.
Opinion and statement of the Commission in regard to proper reporting of deferred income taxes arising from installment sales.	7763	Dec. 7, 1965	30 FR 15420.
Statement of the Commission to clarify the meaning of "beneficial ownership of securities" as relates to beneficial ownership of securities held by family members.	7793	Jan. 19, 1966	31 FR 1005.

Securities and Exchange Commission

Pt. 241

Subject	Release No.	Date	Fed. Reg. Vol. and Page
Program by the Commission which it requests that issuing companies follow in order to expedite the processing of proxy material.	7805	Jan. 26, 1966	31 FR 2475.
Statement of the Commission setting the date of May 1, 1966 after which filings must reflect beneficial ownership of securities held by family members.	7824	Feb. 14, 1966	31 FR 3175.
Policy statement by the Director of the Division of Trading and Markets re consummation of securities transactions by brokers-dealers when trading is suspended.	7920	July 19, 1966	31 FR 10076.
Opinions of the Commission on the acceleration of the effective date of a registration statement under the Securities Act of 1933 and on the clearance of proxy material such as convertible preferred shares considered residual securities in determining earnings per share applicable to common stock.	8336	June 18, 1968	33 FR 10086.
Statement of the Commission to alert prospective borrowers obtaining loans for real estate development about recent fraudulent schemes.	8351	July 5, 1968	33 FR 10134.
Statement of the Commission warning broker-dealers to be prompt in the consummation of securities transactions and about the penalty for not so doing.	8363	July 29, 1968	33 FR 11150.
Statement of the Commission re broker-dealer registration of insurance companies acting as agents for distribution of "variable annuities" and application of regulations for such under the Securities Exchange Act of 1934.	8389	Aug. 29, 1968	33 FR 13005.
Statement of the Commission reminding broker-dealer managements to establish and maintain an effective supervisory system and failure to do so will result in disciplinary action against the firm and responsible individuals.	8404	Sept. 11, 1968	33 FR 14286.
Statement of the Commission clarifying that industrial revenue bonds sold according to Rule 131 (17 CFR 230.131) and Rule 3b-5 (17 CFR 240.3b-5) are not affected if acquired and paid for by the underwriters on or before December 31, 1968.	8409	Sept. 16, 1968	33 FR 14545.
Statement of the Commission cautioning brokers and dealers with respect to effecting transactions of "spin offs" and "shell corporations".	8638	July 2, 1969	34 FR 11581.
Commission's statement about publicity concerning the petroleum discoveries on the North Slope of Alaska.	8728	Oct. 20, 1969	34 FR 17433.
Commission's warning statement re sale and distribution of whisky warehouse receipts.	8733	Nov. 4, 1969	34 FR 18160.
Letter by Philip A. Loomis, Jr., General Counsel for the Commission, explaining obligations of mutual fund managements and brokers with respect to commissions on portfolio brokerage of mutual funds.	8746	Nov. 10, 1969	34 FR 18543.
Publication of the Commission's guidelines re applicability of Federal securities laws to offer and sale outside the U.S. of shares of registered open-end investment companies.	8907	June 23, 1970	35 FR 12103.
Statement of the Commission reminding reporting companies of obligation re Commission's rules to file reports on a timely basis.	8995	Oct. 15, 1970	35 FR 16733.
Commission's statement re exemption of certain industrial revenue bonds from registration, etc. requirements in view of amendment of Securities Act of 1933 and of Securities Exchange Act of 1934 by "section 401" (Pub. L. 91-1037).	9016	Nov. 6, 1970	35 FR 17990.
Commission's views relating to important questions re the accounting by registered investment companies for investment securities in their financial statements and in the periodic computations of net asset value for the purpose of pricing their shares.	9049	Dec. 23, 1970	35 FR 19986.
Publication of the Commission's procedure to be followed if requests are to be met for no action or interpretative letters and responses thereto to be made available for public use.	9065	Jan. 25, 1971	36 FR 2600.
Interpretations of the Commission in regard to requirements for registration statements and reports concerning information requested re description of business, summary of operations, and financial statements.	9083	Feb. 18, 1971	36 FR 4483.
Statement of the Commission warning the public about novel unsecured debt securities which appear to invite unwarranted comparisons with bank savings accounts, savings and loan association accounts, and bank time deposit certificates.	9148	Apr. 12, 1971	36 FR 8239.
Statement of the Commission prohibiting the reduction of fixed charges by amounts representing interest or investment income or gains on retirement of debt in registration statements or reports filed with the Commission.	9210	June 16, 1971	36 FR 11918.
Statement of the Commission calling attention to requirements in its forms and rules under the Securities Act of 1933 and the Securities and Exchange Act of 1934 for disclosure of legal proceedings and descriptions of registrant's business as these requirements relate to material matters involving the environment and civil rights.	9252	July 19, 1971	36 FR 13988.
Commission's policy requiring the inclusion in financial statements of the ratio of earnings to fixed charges for the total enterprise in equivalent prominence with the ratio for the registrant or registrant and consolidated subsidiaries.	9279	Aug. 10, 1971	36 FR 15527.

Subject	Release No.	Date	Fed. Reg. Vol. and Page
Policy of Commission's Division of Corporation Finance to defer processing registration statements and amendments filed under the Securities Act of 1933 by issuers whose reports are delinquent until such reports are brought up to date.	9345	Sept. 27, 1971	36 FR 19362.
Commission's statement concerning applicability of securities laws to multi-level distributorships and other business opportunities offered through pyramid sales plans.	9387	Nov. 30, 1971	36 FR 23289.
Statement by the Commission regarding payment of solicitation fees in tender offers.	9395	Nov. 24, 1971	36 FR 23359.
Commission's statement concerning offering and sale of securities in non-public offerings and applicability of antifraud provisions of securities acts.	9444	Jan. 14, 1972	37 FR 600.
Statement of the Commission's views on the present status of the securities markets and the direction in which the public interest requires that they evolve in the future.	.....	Mar. 14, 1972	37 FR 5286
Commission endorses the establishment by all publicly held companies of audit committees composed of outside directors.	9548	Apr. 5, 1972	37 FR 6850.
Applicability of Commission's policy statement on the future structure of securities markets to selection of brokers and payment of commissions by institutional managers.	9598	May 18, 1972	37 FR 9988.
Commission's statement and policy on misleading pro rata stock distributions to shareholders.	9618	June 9, 1972	37 FR 11559.
Commission's guidelines on independence of certifying accountants; example cases and Commission's conclusions.	9662	June 19, 1972	37 FR 14294.
Commission's decisions on recommendations of advisory committee regarding commencement of enforcement proceedings and termination of staff investigations.	9796	Mar. 1, 1973	38 FR 5457.
Commission's interpretation of risk-sharing test in pooling-of-interest accounting.	9798	Oct. 5, 1972	37 FR 20937.
Commission's statement that short-selling securities prior to offering date is a possible violation of antifraud and antimanipulative laws.	9824	Oct. 25, 1972	37 FR 22796.
Commission reaffirms proper accounting treatment to be followed by a lessee when the lessor is created as a conduit for debt financing.	9867	Dec. 13, 1972	37 FR 26516.
Commission's interpretations of a rule (15c3-3) dealing with customer protection by securities brokers and dealers.	9922	Jan. 18, 1973	38 FR 1737.
Amendment of previous interpretation (AS-130) of risk-sharing test in pooling of interest accounting.	9927	Jan. 18, 1973	38 FR 1734.
Commission clarifies effective dates of Rule 15c3-3 .....	9946	Feb. 5, 1973	38 FR 3313.
Commission's designation of control locations for foreign securities .....	9969	Feb. 5, 1973	Do.
Commission's findings on disclosure of projections of future economic performance by issuers of publicly traded securities.	9984	Mar. 19, 1973	38 FR 7220.
Commission's views on reporting cash flow and other related data .....	10041	Apr. 11, 1973	38 FR 9158.
Commission's statement on obligations of underwriters with respect to discretionary accounts.	10181	June 1, 1973	38 FR 17201.
Commission's opinion on net capital treatment of securities position, obligation and transactions in suspended securities.	10209	June 8, 1973	38 FR 16774.
Commission expresses concern with failure of issuers to timely and properly file periodic and current report.	10214	July 10, 1973	38 FR 18366.
Commission's statement and policy on application of minimum net capital requirement.	10304	Aug. 3, 1973	38 FR 20820.
Commission's conclusions as to certain problem relating to the effect of treasury stock transactions on accounting for business combinations.	10363	Sept. 10, 1973	38 FR 24635.
Commission's interpretation of market identification requirement of rule for reporting of market information on transactions in listed securities.	10388	Sept. 20, 1973	38 FR 26358.
Commission's response to the New York Stock Exchange's proposed interpretation of "affiliated person".	10391	Sept. 25, 1973	38 FR 26716.
Commission request for comments on Accounting Series Release No. 46 .....	10422	Oct. 17, 1973	38 FR 28819.
Commission's guidelines for control locations for foreign securities .....	10429	Oct. 23, 1973	38 FR 29217.
Commission's views and comments relating to quarterly reporting on Form 10-Q and Form 10-QSB.	10547	Jan. 7, 1974	39 FR 1261.
Statement by the Commission on disclosure of the impact of possible fuel shortages on the operations of issuers.	10569	Jan. 10, 1974	39 FR 1511.
Commission's statement on disclosure of inventory profits reflected in income in periods of rising prices.	10580	Jan. 17, 1974	39 FR 2085.
Commission decision on trading in securities issued or guaranteed by the governments of Bulgaria, Hungary, and Romania.	10610	Jan. 31, 1974	39 FR 3932.
Commission views on disclosure of illegal campaign contributions .....	10673	Mar. 11, 1974	39 FR 10237.
Commission's statement of policy and interpretations .....	10363A	Apr. 12, 1974	39 FR 14588.
Commission's statement regarding maintenance of current books and records by brokers and dealers.	10756	May 9, 1974	39 FR 16440.
Commission's practices on reporting of natural gas reserve estimates .....	10857	June 14, 1974	39 FR 27556.
Commission's views on business combinations involving open-end investment companies.	10898	July 3, 1974	39 FR 26719.

Securities and Exchange Commission

Pt. 241

Subject	Release No.	Date	Fed. Reg. Vol. and Page
Commission's guidelines for filings related to extractive reserves and natural gas supplies.	10899	July 3, 1974	39 FR 26720.
Commission's guidelines for registration and reporting .....	10961	Aug. 14, 1974	39 FR 31894.
Commission's requirements for financial statements; limited partnerships in annual reports.	11029	Sept. 27, 1974	39 FR 36578.
Commission's examples of unusual risks and uncertainties .....	11150	Dec. 23, 1994	40 FR 2678.
Letters of the Division of Corporation Finance with respect to certain proposed arrangements for the sale of gold bullion.	11156	Dec. 26, 1994	40 FR 1695.
Commission's statement on disclosure problems relating to LIFO accounting	11198	Jan. 23, 1975	40 FR 6483.
Commission's guidelines on Accounting Series Release No. 148 .....	11470	June 13, 1975	40 FR 27441.
Brokers and dealers effecting transactions in municipal securities .....	11854	Nov. 20, 1975	40 FR 57786.
Financial responsibility requirements of brokers and dealers .....	11969	Jan 2, 1976	41 FR 5277.
Brokers and dealers effecting transactions in municipal securities .....	12021	.....	41 FR 3469.
Interpretation of certain terms in item 10 of Form BD .....	12078	Feb. 17, 1976	41 FR 7089.
Brokers and dealers effecting transactions in municipal securities .....	12288	Apr. 15, 1976	41 FR 15842.
Standards for disclosure; oil and gas reserve .....	12435	May 12, 1976	41 FR 21764.
Brokers and dealers effecting transactions in municipal securities .....	12496	June 11, 1976	41 FR 23668.
Statement of informal proposals for the rendering of staff advice with respect to shareholder proposals.	12599	July 20, 1976	41 FR 29989.
Guides for statistical disclosure by bank holding companies .....	12748	Aug. 31, 1976	41 FR 39007.
Uniform net capital rule .....	12766	Sept. 14, 1976	41 FR 39014.
Uniform net capital rule .....	12927	Oct. 27, 1976	41 FR 48335.
Brokers and dealers effecting transactions in municipal securities .....	12932	Oct. 27, 1976	41 FR 48336.
Brokers and dealers effecting transactions in municipal securities .....	13108	Jan. 4, 1977	42 FR 759.
Brokers and dealers effecting transactions in municipal securities .....	13362	Mar. 21, 1977	42 FR 15310.
Rescission of certain accounting series releases .....	13630	June 15, 1977	42 FR 33282.
Guideline regarding the preparation of integrated reports to shareholders .....	13639	June 17, 1977	42 FR 31780.
Industry segment determination .....	14523	Mar. 3, 1978	43 FR 9599.
Securities transactions by members of national securities exchanges .....	14563	Mar. 14, 1978	43 FR 11542.
Application of registration requirements to certain tender offers and the application of tender offer provisions to certain cash-option mergers.	14699	Apr. 24, 1978	43 FR 18163.
Reporting by certain institutional investors of beneficial ownership of certain equity securities which as of the end of any month exceeds ten percent of the class.	14830	June 13, 1978	43 FR 25420.
Division of investment management's interpretative positions relating to Rule 13f-1 and related Form 13F.	15292	Nov. 2, 1978	43 FR 52697.
Guides for disclosure of projections of future economic performance .....	15305	Nov. 7, 1978	43 FR 53246.
Commission's statement regarding disclosure of impact of Wage and Price Standards for 1979 on the operations of issuers.	15371	Nov. 29, 1978	43 FR 57596.
Statement of the views of the Commission's Division of Corporation Finance with respect to disclosure in proxy statements containing certain sale of assets transactions.	15572	Feb. 15, 1979	44 FR 11541.
Short sales; interpretation of rule .....	16150	Aug. 30, 1979	44 FR 53159.
Shareholder communications, shareholder participation in the corporate electoral process and corporate governance generally.	16163	Sept. 6, 1979	44 FR 53426.
Environmental disclosure requirements .....	16224	Sept. 27, 1979	44 FR 56924.
Pooled income funds .....	16478	Jan. 10, 1980	45 FR 3258.
Tender offer rules .....	16623	Mar. 5, 1980	45 FR 15521.
Proxy rules .....	16833	May 23, 1980	45 FR 36374.
Clearing agencies .....	16900	June 17, 1980	45 FR 41920.
Guides for statistical disclosure by bank holding companies .....	16961	July 8, 1980	45 FR 47142.
Transfer agents .....	17111	Sept. 2, 1980	45 FR 59840.
Amendments to guides .....	17114	Sept. 2, 1980	45 FR 63647.
Extension date of clearing agencies for form filing .....	17231	Oct. 20, 1980	45 FR 70857.
Beneficial ownership rules .....	17354	Dec. 4, 1980	45 FR 81559.
Distribution of proxy materials to beneficial shareowners .....	17424	Jan. 7, 1981	46 FR 3204.
Foreign Corrupt Practices Act of 1977 .....	17500	Jan. 29, 1981	46 FR 11544.
Analysis of results of 1980 proxy statement disclosure monitoring program ...	17518	Feb. 5, 1981	46 FR 11954.
Option and option-related transactions during underwritten offerings .....	17609	Mar. 6, 1981	46 FR 16670.
Going private transactions under rule 13e-3 .....	17719	Apr. 13, 1981	46 FR 22571.
Insider reporting and trading .....	18114	Sept. 23, 1981	46 FR 48147.
Retail repurchase agreements by banks and savings and loan associations ..	18122	Sept. 25, 1981	46 FR 48637.
Analysis of results of 1981 proxy statement disclosure monitoring program ...	18532	Mar. 3, 1982	47 FR 10794.
Rescission of guides and redesignation of industry guides (effective May 24, 1982).	18525	Mar. 3, 1982	47 FR 11481.
Amendments to guides .....	19337	Dec. 15, 1982	47 FR 57911.
Revision of financial statement requirements and industry guide disclosure for bank holding companies..	19570	Mar. 7, 1983	48 FR 11104.
Commission's views on <i>Colema Realty Corp. v. R. D. Bibow, et al</i> .....	19756	May 11, 1983	48 FR 23173.
Revision of industry guide disclosures for bank holding companies .....	20068	Aug. 11, 1983	48 FR 37609.
Public statements by corporate representatives .....	20560	Jan. 13, 1984	49 FR 2468.
Research reports .....	21332	Sept. 19, 1984	49 FR 37574.
Commission views on computer brokerage systems .....	21383	Oct. 9, 1984	49 FR 40159.

Subject	Release No.	Date	Fed. Reg. Vol. and Page
Guide for disclosures concerning reserves for unpaid claims and claim adjustment expenses of property-casualty underwriters.	21521	Nov. 27, 1984	49 FR 47601.
Brokerage and research services concerning scope of section 28(e) of Securities Exchange Act of 1934.	23170	Apr. 23, 1986	51 FR 16012.
Application of Rule 10b-6 under the Securities Exchange Act of 1934 to persons participating in shelf distributions.	23611	Sept. 11, 1986	51 FR 33248.
Industry guides for statistical disclosure by bank holding companies .....	23846	Nov. 25, 1986	51 FR 43599.
Tender offers rules .....	24296	Apr. 3, 1987	52 FR 11458.
Statement of the Commission Regarding Disclosure Obligations of Companies Affected by the Government's Defense Contract Procurement Inquiry and Related Issues.	25951	Aug. 1, 1988	53 FR 29228.
Statement of the Commission Regarding Disclosure by Issuers of interests in Publicly Offered Commodity Pools.	26508	Feb. 1, 1989	54 FR 5603.
Management's discussion and analysis of financial condition and results of operations; certain investment company disclosures.	26831	May 18, 1989	54 FR 22427.
Modifying and confirming the interpretation of municipal underwriter securities responsibilities.	26985	June 28, 1989	54 FR 28814.
Liquidation of Index Arbitrage Positions .....	27938	Apr. 30, 1990	55 FR 17949.
Ownership reports on trading by officers, directors and principal security holders.	29131	Apr. 26, 1991	56 FR 19928.
Limited partnership reorganizations and public offerings of limited partnership interests.	29314	June 17, 1991	56 FR 28986.
Registration of Successors to Broker-Dealers and Investment Advisors .....	31661	Jan. 4, 1993	58 FR 11.
Statement of the Commission regarding disclosure obligations of municipal securities issuers and others.	33741	Mar. 9, 1994	59 FR 12758.
Amendment of interpretation regarding substantive repossession of collateral Use of electronic media for delivery purposes .....	34061	May 12, 1994	59 FR 26109.
Use of electronic media for delivery purposes .....	36345	Oct. 6, 1995	60 FR 53467.
Use of electronic media for delivery purposes .....	37182	May 9, 1996	61 FR 24651.
Statement of the Commission Regarding Use of Internet Web Sites to Offer Securities, Solicit Securities Transactions or Advertise Investment Services Offshore.	39779	Mar. 23, 1998	63 FR 14813
Confirmation and Affirmation of Securities Trades; Matching .....	39829	Apr. 6, 1998	63 FR 17947
Statement of the Commission Regarding Disclosure of Year 2000 Issues and Consequences by Public Companies, Investment Advisers, Investment Companies, and Municipal Securities Issuers.	40277	July 29, 1998	63 FR 41404
Use of electronic media .....	42728	Apr. 28, 2000	65 FR 25856.
Commission Guidance on Mini-Tender Offers and Limited Partnership Tender Offers.	43069	July 24, 2000	65 FR 46588.

**PART 242—REGULATIONS M AND ATS**

- Sec.
- 242.100 Preliminary note; definitions.
  - 242.101 Activities by distribution participants.
  - 242.102 Activities by issuers and selling security holders during a distribution.
  - 242.103 Nasdaq passive market making.
  - 242.104 Stabilizing and other activities in connection with an offering.
  - 242.105 Short selling in connection with a public offering.

**REGULATION ATS—ALTERNATIVE TRADING SYSTEMS**

- 242.300 Definitions.
- 242.301 Requirements for alternative trading systems.
- 242.302 Recordkeeping requirements for alternative trading systems.
- 242.303 Record preservation requirements for alternative trading systems.

AUTHORITY: 15 U.S.C. 77g, 77q(a), 77s(a), 78b, 78c, 78i(a), 78j, 78k-1(c), 78l, 78m, 78mm, 78n,

78o(b), 78o(c), 78o(g), 78q(a), 78q(b), 78q(h), 78w(a), 78dd-1, 80a-23, 80a-29, and 80a-37.

SOURCE: 62 FR 544, Jan. 3, 1997, unless otherwise noted.

**§ 242.100 Preliminary note; definitions.**

(a) *Preliminary note:* Any transaction or series of transactions, whether or not effected pursuant to the provisions of Regulation M (§§ 242.100-242.105 of this chapter), remain subject to the antifraud and antimanipulation provisions of the securities laws, including, without limitation, Section 17(a) of the Securities Act of 1933 [15 U.S.C. 77q(a)] and Sections 9, 10(b), and 15(c) of the Securities Exchange Act of 1934 [15 U.S.C. 78i, 78j(b), and 78o(c)].

(b) For purposes of regulation M (§§ 242.100 through 242.105 of this chapter) the following definitions shall apply:

*ADTV* means the worldwide average daily trading volume during the two