

May 10, 2011

## **Legal Update: SEC Fee Rate Adjustments on the Horizon**

Public companies and companies registering to go public should be aware of an upcoming fee rate adjustment to filing fees with the Securities and Exchange Commission.

### *What changes when?*

On May 2, 2011, the SEC announced that, if a regular appropriation to the Commission for fiscal year 2012 is enacted on or before October 1, 2011, the fee rates applicable to most securities transactions will decrease from \$19.20 per million dollars to \$15.10 per million dollars in fiscal year 2012. The new fee rates will go into effect on the later of Oct. 1, 2011 or 30 days after the appropriation is enacted.

If a regular appropriation to the SEC for fiscal year 2012 is not enacted by Oct. 1, 2011, the new fee rates will not go into effect, and the SEC will be required to issue revised fee rates in accordance with the amendments to Section 31 of the Exchange Act made by the Dodd-Frank Wall Street Reform and Consumer Protection Act. In that case, the revised fee rates for fiscal year 2012 will be published thirty (30) days after the appropriation is enacted and become effective sixty (60) days after the appropriation is enacted.

The Section 31 assessment on securities futures transactions will remain unchanged at \$0.0042 per round turn transaction.

The SEC press release announcing the fee rate adjustment can be found [here](#).

### *What if you have questions?*

For any questions or more information on these or any related matters, please contact please contact any attorney in the firm's corporate practice group. A list of such attorneys can be found by clicking "Attorneys" on this [page](#).

## *Disclaimer*

This update has been prepared by Sheppard, Mullin, Richter & Hampton LLP for informational purposes only and does not constitute advertising, a solicitation, or legal advice, is not promised or guaranteed to be correct or complete and may or may not reflect the most current legal developments. Sheppard, Mullin, Richter & Hampton LLP expressly disclaims all liability in respect to actions taken or not taken based on the contents of this update.