

Corporate & Financial Weekly Digest

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SEC Announces Roundtable on Microcap Securities

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On September 19, the Securities and Exchange Commission announced that it will host a public roundtable to discuss the regulatory issues surrounding the execution, clearance and settlement of “microcap securities,” low-priced stocks issued by companies with small capitalizations that trade primarily on the OTC Bulletin Board or OTC Quote (previously Pink Sheets). The roundtable will take place on October 17 at the SEC’s Washington D.C. headquarters. The topics expected to be discussed include some key regulatory issues such as anti-money laundering monitoring, compliance challenges and potential changes to the regulatory framework. Panelists will include representatives from The Deposit Trust Company, broker-dealers and the Financial Industry Regulatory Authority.

The SEC’s press release states that the purpose of the roundtable is to “gather ideas and request input,” which may lead to regulatory changes affecting the execution, clearance and settlement of low-priced securities.

Click [here](#) for the SEC’s press release announcing the roundtable.

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