

Corporate & Financial Weekly Digest

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SEC Seeks Public Comment on Expansion of Stock-by-Stock Circuit Breaker Program

On June 30, the Securities and Exchange Commission announced that the exchanges and the Financial Industry Regulatory Authority filed proposed rules to expand the newly adopted stockby-stock circuit breaker program. Trading in a security included in the program is paused for a five-minute period if the security experiences a 10% change in price over the preceding five minutes. Currently, only stocks in the S&P 500 Index are subject to stock-by-stock circuit breakers. Under the new proposal, all stocks in the Russell 1000 Index and certain exchange-traded funds would be added to the program.

The proposed rules, which are expected to be in effect on a pilot basis until December 10, will be published in the Federal Register for a 10-day public comment period.

To read the SEC's order implementing the stock-by-stock circuit breaker program, click here.

See also the June 11 edition of <u>Corporate and Financial Weekly Digest</u> discussing the SEC's approval of rules requiring the exchanges and FINRA to implement stock-by-stock circuit breakers.

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