

sec docket

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SECURITIES ACT OF 1933
Release No. 6253/October 28, 1980

PROCEDURES UTILIZED BY THE DIVISION OF
CORPORATION FINANCE FOR RENDERING
INFORMAL ADVICE

ACTION: Interpretive Release.

SUMMARY: The Commission has authorized the issuance of a release describing certain procedures recently adopted by the Division of Corporation Finance (the "Division") for responding to all requests for no-action and interpretive letters except those involving shareholder proposals. In addition, the release discusses some of the alternative methods utilized by the Division in providing informal interpretive advice to the public. Also, it enumerates those matters which the staff of the Division, for policy or other reasons, will not express any view on when raised in a request for no-action or interpretive advice. Finally, it sets forth a discussion of letters regarding shareholder proposals.

FOR FURTHER INFORMATION CONTACT: William E. Morley or Peter J. Romeo, Division of Corporation Finance, Securities and Exchange Commission, Washington, D.C. 20549, (202) 272-2573.

SUPPLEMENTARY INFORMATION: One of the more important functions of the Commission's Division of Corporate Finance is to respond to requests for informal advice concerning the application of the federal securities laws administered by it.¹ As explained in more detail later in this release, the Division provides such advice in a variety of ways, such as by issuing no-action and interpretive letters,² preparing interpretive releases, and answering telephone inquiries. Some other units of

¹The Division administers the Securities Act of 1933 ("1933 Act") [15 U.S.C. 77a, et seq.], the Trust Indenture Act of 1939 ("1939 Act") [15 U.S.C. 80a, et seq.], and portions of the Securities Exchange Act of 1934 ("1934 Act") [15 U.S.C. 78a, et seq.].

²A no-action letter is one in which an authorized staff official indicates that the staff will not recommend any enforcement action to the Commission if the proposed transaction described in the incoming correspondence is consummated. In some instances, the staff will state in response to a no-action request that it is unable to assure the writer

