

SEC Approves New Short Sale Price Test

February 24, 2010 | Client Update

At an open meeting on February 24, 2010, the Securities and Exchange Commission adopted a new short sale price test by a 3-2 vote. Commissioners Casey and Paredes opposed the rule in forceful, articulate statements that the rule is not necessary based on any empirical analysis, is not properly formulated to address real problems in the market, and does not meet the goals of fostering investor confidence in the fairness of the markets.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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