

Cabinet News and Views

Informed analysis for the financial services industry



Preparing for the New SEC Electronic Filing Requirements for Form 144 - What Public Companies and Their Affiliates Need to Do to Be Prepared



By **Erica Hogan**
Partner | Corporate

The U.S. Securities and Exchange Commission has adopted new rules that will require the affiliates of public companies to electronically submit their Form 144 filings (as opposed to filing those forms manually), effective April 13, 2023. Specifically, whenever an affiliate of a company that files periodic reports with the SEC pursuant to Sections 13 or 15(d) of the Securities Exchange Act of 1934 effects the sale of securities in reliance upon Rule 144, a Form 144 must be electronically filed with the SEC, providing notice of the proposed sale if the amount to be sold under Rule 144 during any three-month period exceeds (a) 5,000 shares, or (b) has an aggregate sales price greater than \$50,000. Pursuant to Rule 144(h)(3), the Form 144 must be transmitted for filing concurrently with either placing the order with a broker or the execution of the sale directly with a market maker. Executive officers, directors and large shareholders are typically affiliates of a Reporting Company because of their relationship of control with the issuer.

This Clients & Friends Memo offers some practical tips on how companies can prepare for the new Rule 144 electronic filing requirements. Read it [here](#).
