

M E M O R A N D U M

June 7, 1984

TO: John Huber, Director

FROM: Martin L. Meyrowitz  
Office of International Corporate Finance

RE: June Conference

TOPICS FOR JUNE 12, 1984 CONFERENCE

I. Baer Securities and Israeli Discount Bank No-Action Letters

A. Law Firms - want to elevate no-action positions to sanctions by the Commission

B. Staff

1. Issues:

a. Does a specific client need additional comfort. If so, why?

b. Do they want to expand these positions?

(1) For what purpose?

(2) On what grounds?

2. Staff Position - Defensive:

a. No additional comfort need be given, no-action letters still good.

b. Addressing the issue again may be taken as a sign that we are willing to expand on these issues.

(1) We are not inclined to go further.

(2) We don't want to give the impression that we will go further.

(3) Don't know how other Division's will react to the positions.

3. Staff Position - Offensive: release can simply re-issue no-action positions and, if we desire, specify that it is limited to its facts and no expansion is contemplated.

II. Availability of Regulation D for Private Placement by Underwriters of Portion of Issue Purchased by such Underwriters from the Issuer

A. Law Firms - allows underwriters into Reg. D offerings

1. Resales.
2. Firm commitment.

B. Staff

1. Defensive

a. Fundamental change in the rules.

(1) Not the proper subject of a no-action, staff position.

(2) Not inclined to begin rule-making proceedings at this time.

b. Issue previously addressed (Lee Spencer) and we refused to act at that time -- nothing has happened to change that decision.

c. Underwriters can do a best efforts, all or nothing offering just as easily without harming their business.

2. Offensive - no position.

III. Issues the Staff Wants to Discuss

A. Zero Coupon Offerings

1. What happened to them?
2. Can we expect to see any more?

B. Foreign Investment Companies

1. Why all the excitement?
2. Investment Management issue -- we may not wish to discuss, or at least bring up.

C. Will we be seeing any more worldwide shelf offerings (e.g., Exxon)?

D. Schedule B Shelf Offerings (Section 10(a)(3))

1. What financial information should be required?
2. When should updates be required?
3. How can we get consistent information from all countries?

E. Is there anything going on we should know about?

1. New types of offerings?
2. New methods of offerings?