AMENDMENT TO H.R. 37
OFFERED BY MR. LYNCH OF MASSACHUSETTS

Insert after section 1101 the following new section:

SEC. 1102. REQUIREMENT TO PROVIDE CASH VALUE ESTIMATES TO EMPLOYEES AND TO PERMIT EMPLOYEE RESALES TO THE ISSUER.

In making the revisions to section 230.701 of title 17, Code of Federal Regulations, required by section 1101, the Securities and Exchange Commission shall also require an issuer availing itself of the exemption provided in such section—

(1) to provide, on the date of such transaction and at least annually thereafter, to each employee of the issuer an estimate of the cash value of the compensation that was the subject of the exempted transaction and a justification for that estimated value; and

(2) to permit the applicable employee or employees to sell the securities that were the subject of the transaction back to the issuer at such estimated value beginning 90 days after the date of the transaction.