

4-1-2012

Securities Law Research Presentation

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Securities Law Research



PROFESSOR ADEEN POSTAR
ADVANCED LEGAL RESEARCH TECHNIQUES
LAW 929-001
SPRING 2012

Agenda



- 1. PRIMARY SOURCES**
- 2. SECONDARY SOURCES**
- 3. SPECIAL DATABASES @ PENCE**
- 4. GOVERNMENT WEBSITES**
- 5. TIPS AND TRICKS**

Statutes and Laws



PRIMARY SOURCES

Securities Act of 1933



- **Securities Act of 1933, ch. 38, Title 1, 48 Stat. 74 (1933), codified as amended at 15 U.S.C. Sec. 77a.**
 - This act is also known as the “’33 Act” and the “Securities Act”
 - It relates to the initial offer and sale of securities and was the first attempt to regulate the sale of securities
 - Enacted after the aftermath of the 1929 stock market crash, the Securities Acts of 1933 and 1934 form the basis of securities regulation in the U.S.
 - Until its passage, securities were regulated only by the states.
 - This act applies only to new issues of securities.

Securities Exchange Act of 1934



- **Securities Exchange Act of 1934**, ch. 404, 48 Stat. 881 (1934), codified as amended at 15 U.S.C. Sec. 78a et seq.
 - This act is also known as the “Exchange Act” and the “’34 Act”
 - This law covers trading and regulation in secondary markets
 - This act extended federal regulation of securities trading to securities that were already issued and outstanding.
 - This is the act that created the Securities and Exchange Commission ("SEC").

Investor Related Acts



- **Investment Advisers Act of 1940**, ch, 686, Title II. 54 Stat. 847, codified as amended at 15 U.S.C. Secs. 80b-1 et seq. (Adviser's Act).
 - Requires that certain advisers register with the SEC
- **Investment Company Act of 1940**, ch. 686, Title I, 54 Stat. 789 (1940), codified as amended at 15 U.S.C. Secs. 80a-1 et seq.
 - This act applies to companies whose business primarily involves investing in other companies
 - For instance it regulates mutual funds or other entities investing and trading securities

Securities Investor Protection Act of 1970



- **Securities Investor Protection Act of 1970**, Pub. L. No. 91-598, 84 Stat. 1636, codified as amended at 15 U.S.C. Secs. 78aaa-78lll.
 - Established corporation that oversees liquidation of securities firms and authorizes payments of claims of individual investors *Securities Investor Protection Corporation* <http://www.sipc.org/>
 - Irving Picard, Madoff trustee is working under this statute and the SIPC
 - \$500,000 limit is to protect against broker malfeasance, not poor investment decisions and/or changes in the market value of securities

Private Securities Litigation Reform Act (PSLRA)



- **Private Securities Litigation Reform Act of 1995**, Pub. L. 104-67, 109 Stat. 737 (1995), codified as amended in scattered parts of 15 U.S.C.
 - Purpose is to curb abusive litigation in which attorneys file suit only to wrest settlements from issuers
 - Plaintiff must allege that the defendant acted with the required state of mind, i.e., that he knew the challenged statement was false at the time it was made, or was reckless in not recognizing that the statement was false
 - Plaintiff prove loss causation
 - Elements must be present with “particularity”.

Gramm-Leach-Bliley (Financial Services Modernization) Act of 1999



- *Gramm-Leach-Bliley (Financial Services Modernization) Act of 1999* Pub. L. 106-102, 113 Stat. 1338 (1999).
 - Repealed the Glass-Steagall Act of 1933, which prohibited banks, securities firms, and insurance companies from affiliating with each other
 - Some commenters posit that this was an important cause of the 2008 financial collapse.

Public Company Accounting Reform and Corporate Responsibility Act of 2002



- **Public Company Accounting Reform and Corporate Responsibility Act of 2002**, Pub. L. No. 107-204, 116 Stat. 745, codified at 15 U.S.C. Secs. 1501 et seq and scattered sections of 15 and 18 U.S.C.
 - AKA *Sarbanes-Oxley Act of 2002* or *SOX*
 - Sets auditing standards to improve company financial controls and public disclosure of financial status
 - Establishes new accountability standards and criminal penalties for corporate officers and directors, and new independence standards for external auditors
 - Also created the Public Company Accounting Oversight Board, which creates standards to be applied in audits of companies registered with the SEC

Regulatory Materials



PRIMARY SOURCES

Locating SEC Regulations



- Published in the *Federal Register*
- Codified in Title 17 of the *Code of Federal Regulations*
- Westlaw ([FSEC-FR](#)) ([FSEC-CFR](#))
- Lexis ([FEDREG](#)) ([FEDCFR](#))
- SEC Website has comprehensive list of current and proposed Regulations: <http://sec.gov/rules.shtml>

Commonly Cited SEC Regulations



- **10b-5**
 - Securities fraud, insider trading: 17 C.F.R. §§ [240.10b-5](#), [240.10b5-1](#), [240.10b5-2](#)
 - Trust indentures: 17 C.F.R. § [260.10b-5](#)
- **Regulation 8B** (registration statements under the Investment Company Act), [17 C.F.R. §§ 270.8b-1 through 270.8b-33](#)
- **Regulation D** (rules governing the limited offer & sale of securities without registration under the '33 Act), [17 C.F.R. §§ 230.501-230.508](#)
- **Regulation NMS** (National Market System), [70 Fed. Reg. 37496](#) (June 29, 2005) (codified as amended in scattered parts of 17 C.F.R. Parts 200, 201, 230, 240, 242, 249, and 270)
- **Regulation S-P** (privacy of consumer financial information), [17 C.F.R. Part 248](#)
- **Regulation S-T** (electronic filing), [17 C.F.R. Part 232](#)
- **Regulation S-X** (accounting rules), [17 C.F.R. Part 210](#)
- **Securities Offering Reform**, [70 Fed. Reg. 44722](#) (Aug. 3, 2005) (codified as amended in scattered parts of 17 C.F.R. Parts 200, 228, 229, 230, 239, 240, 243, 249, and 274)

SECURITIES AND EXCHANGE COMMISSION

**17 CFR Parts 210, 228, 229, 230, 239,
240, 249, 260, and 269**

[Release Nos. 33-8876; 34-56994; 39-2451;
File No. S7-15-07]

RIN 3235-Aj86

Smaller Reporting Company Regulatory Relief and Simplification

AGENCY: Securities and Exchange
Commission.

ACTION: Final rule.

SUMMARY: The Securities and Exchange Commission is adopting amendments to its disclosure and reporting requirements under the Securities Act of 1933 and the Securities Exchange Act of 1934 to expand the number of companies that qualify for its scaled disclosure requirements for smaller reporting companies. Companies that have less than \$75 million in public equity float will qualify for the scaled disclosure requirements under the amendments. Companies without a calculable public equity float will qualify if their revenues were below \$50 million in the previous year. To streamline and simplify regulation, the amendments move the scaled disclosure requirements from Regulation S-B into Regulation S-K.

DATES: *Effective Date:* February 4, 2008.

annual reports on Form 10-K, and may elect to comply with the new scaled disclosure requirements of Regulation S-K. Companies newly qualifying as “smaller reporting companies” will have the option to use the new scaled Regulation S-K requirements when filing their next periodic report due after the effective date of the amendments. These companies will determine eligibility for smaller reporting company status based on the last business day of their most recent second fiscal quarter, or based on the alternative initial registration statement calculation discussed in Section IV. If a registration statement was filed on an “SB” form before the effective date of the rule amendments, and the company seeks to amend it after the effective date of the rule amendments, the company must file the amendment on the appropriate form available to the issuer without an “SB” designation. As discussed in Section IV, to provide a transition period, these issuers will be able to continue using the disclosure format and content based on the “SB” form until six months after the effective date.

We are adopting amendments to Regulation S-K,¹ and rules and forms under the Securities Act of 1933,² Securities Exchange Act of 1934,³ and Trust Indenture Act of 1939.⁴ In Regulation S-K, we are adopting amendments to Items 10, 101, 102, 201,

and 15d-21,¹⁰ and Exchange Act Forms 0-1, 8-A, 8-K, 10, 10-Q, 10-K, 11-K, 20-F, and SE.¹¹ We are amending Schedules 14A and 14C.¹² In Regulation S-X,¹³ we are amending Rules 210.3-01, 210.3-05, 210.3-10, 210.3-12, 210.3-14, 210.4-01, and 210.10-01 and adding a new Article 8 containing the financial statement requirements available to smaller reporting companies.¹⁴ Finally, we are amending Trust Indenture Act Rules 0-11, 4d-9, and 10a-5¹⁵ and Section 269.0-1 of the Trust Indenture Act Forms.¹⁶

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SEC Rules - Releases



- Include all of the SEC's regulatory publications, including rules, decisions, orders, notices, guidance and interpretation and other information
- Published in the SEC Docket, available as part of our subscription to the CCH Business and Finance Library; SEC Reporters and Primary Material and on Lexis and Westlaw

Types of Releases



- **Interpretive Releases**
SEC's views on the meaning of securities laws
- **Litigation Releases** are descriptions of its civil suits and some criminal suits

- **Concept Releases**
Before issuing a PR, SEC asks for comments on “concept” from the public



SEC Interpretation: Electronic Storage of Broker-Dealer Records

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 241

[Release No. 34-47806]

Electronic Storage of Broker-Dealer Records

AGENCY: The Securities and Exchange Commission.

ACTION: Interpretation.

SUMMARY: The Securities and Exchange Commission is publishing its views on the operation of its rule permitting broker-dealers to store required records in electronic form. Under the rule, electronic records must be preserved exclusively in a non-rewriteable and non-erasable format. This interpretation clarifies that broker-dealers may employ a storage system that prevents alteration or erasure of the records for their required retention period.

EFFECTIVE DATE: May 12, 2003.

FOR FURTHER INFORMATION: Michael A. Macchiaroli, Associate Director, 202/942-0131; Thomas K. McGowan, Assistant Director, 202/942-4886; or Randall W. Roy, Special Counsel, 202/942-0798, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-1001.

SUPPLEMENTARY INFORMATION: The Securities and Exchange Commission ("Commission") is publishing guidance with respect to paragraph (f)(2)(ii)(A) of Rule 17a-4, which requires broker-dealers maintaining records electronically to use a digital storage medium or system that "[p]reserve[s] the records exclusively in a non-rewriteable, non-erasable format."¹

I. INTRODUCTION

Broker-dealers are allowed to preserve records on "electronic storage media."² Rule 17a-4 defines that term as "any digital storage medium or system."³ Paragraph (f)(2)(ii)(A) of Rule 17a-4 requires that the electronic storage media preserve the records exclusively in a non-rewriteable and non-erasable format.⁴ The staff has received oral requests from broker-dealers for guidance on whether this requirement limits them to using optical platters, CD-ROMs, DVDs or similar physical mediums to achieve this result.

II. BACKGROUND

Section 17(a)(1) of the Securities Exchange Act of 1934 ("Exchange Act") authorizes the Commission to issue rules requiring broker-dealers to make and keep for prescribed periods, and furnish copies thereof, such records as

More Regulatory Actions No-Action Letters



- No-Action Letters are responses to private requests of individual entities on the legality of certain actions – pronouncements are NOT legally binding
- Available on the SEC website at <http://www.sec.gov/interp/noaction.shtml> and in the CCH Business and Finance Library

Locating Regulatory Actions Online



Type of Action	Online Location
ALJ Decisions & Orders, 1960—	http://www.sec.gov/litigation/aljdec.shtml
Commissioner's Opinions, 1996—	http://www.sec.gov/litigation/opinions.shtml
Concept Releases, 1994—	http://www.sec.gov/rules/concept.shtml
Exchange Delistings, 2004—	http://www.sec.gov/rules/delist.shtml
Exemptive Orders, 1999—	http://www.sec.gov/rules/exorders.shtml
Final Rules, 1962—	http://www.sec.gov/rules/final.shtml
Interpretive Releases, 1995—	http://www.sec.gov/rules/interp.shtml
Litigation Releases, 1995—	http://www.sec.gov/litigation/litreleases.shtml
PCAOB Releases, 2003—	http://www.sec.gov/rules/pcaob.shtml
Proposed Rules, 1994—	http://www.sec.gov/rules/proposed.shtml
Other Commission Orders, Notices & Information, 1995—	http://www.sec.gov/rules/other.shtml

Enforcement Actions Administrative Proceedings



- **Initial Decisions – By Administrative Law Judges at the SEC – adjudications contain findings of fact, law and recommended sanctions**
 - Parties may appeal to the Commission
 - Commission also reviews disciplinary recommendations from individual SEC offices
 - Appeals of Commission decisions go to the U.S. Courts of Appeals

All decisions are available via [CCH Intelliconnect](#)

Locating Administrative Decisions



- **CCH Federal Securities Law Reporter** [KF1068.4 .C63](#)
 - Also available online through the [CCH Business and Finance Internet Research NetWork](#); select the "Securities" tab.
- **EDGAR** contains ALJ Decisions & Orders: 1995 - ; Commissioners Opinions: 1996 –
 - Select the Securities Regulatory Library, then Litigation.
- **SEC Web Site**
 - [Commissioners Opinions](#) (1996 -): <http://www.sec.gov/litigation/opinions.shtml>
 - [ALJ Decisions & Orders](#) (1960 -): <http://www.sec.gov/litigation/aljdec.shtml>
- **Westlaw** ([FSEC-RELS](#))
 - also contains other types of relevant SEC documents
- **Lexis:** [Legal > Area of Law - By Topic > Securities > SEC & Other Administrative Materials > Federal > Agency Decisions > SEC Decisions, Orders & Releases](#)
 - Contains SEC Decisions 1933— and other relevant documents

CCH Databases



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Securities and Exchange Commission v. Bally Total Fitness Holding Corporation, Civ. 08-00348 (HHK) (Judge Kennedy) (D.D.C. filed February 28, 2008). Litigation Release No. 20470, Securities and Exchange Commission, (Feb. 28, 2008)

Bally Total Fitness» Settles Financial Fraud Charges With SEC

The Securities and Exchange Commission today filed financial fraud charges against «Bally Total Fitness» Holding Corporation, a nationwide commercial operator of fitness centers that has recently emerged from bankruptcy proceedings under new, private ownership. The Commission alleges that from at least 1997 through 2003, Bally's financial statements were affected by more than two dozen accounting improprieties, which caused Bally to overstate its originally reported year-end 2001 stockholders' equity by nearly \$1.8 billion, or more than 340%. The Commission's complaint further alleges that Bally understated its originally reported 2002 net loss by \$92.4 million, or 9341%, and understated its originally reported 2003 net loss by \$90.8 million, or 845%. As a result, the Commission alleges that Bally violated the antifraud, reporting, books and records, and internal control provisions of the federal securities laws.

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 - Commodity Futures Law Reports, No. 844, (Sept. 21, 2009)
 - Commodity Futures Law Reports, No. 843, (Aug. 28, 2009)
 - Commodity Futures Law Reports, No. 842, (Aug. 14, 2009)
 - Commodity Futures Law Reports, No. 841, (Jul. 31, 2009)

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Commodity Futures Releases, Decisions and Interpretations - All materials

- '94-'96 Transfer Binder
- '96-'98 Transfer Binder
- '98-'99 Transfer Binder
- '99-'00 Transfer Binder
- '00-'02 Transfer Binder
- '02-'03 Transfer Binder
- '03-'04 Transfer Binder
- '05-'07 Transfer Binder
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- Current Decisions

Commodity Futures Archive - Selected materials

- COMMODITY-FUTURES ¶23,993, *Omni Capital International, et al. v. Rudolf Wolff & Co., Ltd., et al.*, U.S. Supreme Court, (Dec. 8, 1987)
- COMMODITY-FUTURES ¶23,116, *Commodity Futures Trading Commission v. Schor, et al.*, U.S. Supreme Court, (Jul. 7, 1986)
- COMMODITY-FUTURES ¶22,563, *Commodity Futures Trading Commission v. Weintraub, et al.*, U.S. Supreme Court, (Apr. 29, 1985)
- COMMODITY-FUTURES ¶22,461, *Mordaunt v. Incomco, et al.*, U.S. Supreme Court, (Jan. 7, 1985)
- COMMODITY-FUTURES ¶21,370, *Merrill Lynch, Pierce, Fenner & Smith, Inc. v. Curran, et al.; New York Mercantile Exchange, et al. v. Leist, et al.; Clayton Brokerage Co. of St. Louis, Inc., et al. v. Leist, et al.; Heindl Commodities, Inc., et al. v. L*
- COMMODITY-FUTURES ¶20,458, *CFTC v. British American Commodity Options Corp.*, U.S. Supreme Court, (Aug. 8, 1977)
- COMMODITY-FUTURES ¶20,005, *Chicago Mercantile Exchange v. Deaktor, et al.*, U.S. Supreme Court, (Dec. 3, 1973)
- COMMODITY-FUTURES ¶20,004, *Ricci v. Chicago Mercantile Exchange, et al.*, U.S. Supreme Court, (Jan. 9, 1973)
- COMMODITY-FUTURES ¶24,979, *Fleming, et al. v. Lind-Wallock & Company.*, Court of Appeals for the First Circuit, (Dec. 19, 1990)

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SEC Filings



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 - Foreign and U.S. companies are required to file registration statements, periodic reports and other information on EDGAR (Electronic Data Gathering Analysis and Retrieval System)
- **Lexis – [SEC](#) & [XEDG02](#)**
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- Yahoo Finance at <http://finance.yahoo.com/>
- Bloomberg at <http://www.bloomberg.com/>

State Securities Statutes



- States have their own laws and regulations regarding securities
- SEC has primary jurisdiction of the NASD and exchanges, but every state has its own “Blue Sky Laws”
- The term “**Blue Sky**” comes from *Hall vs. Geiger-Jones Co.*, 242 U.S. 539 (1917), “name that is given to the law indicates the evil at which it is aimed, that is, to use the language of a cited case, *“speculative schemes which have no more basis than so many feet of 'blue sky'”* .

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(Updates with details of complaint in third paragraph.) By David Glovin and Thom Weidlich Feb. 22 ,...

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Blue Sky Laws



- Require registration of securities offerings, and registration of brokers and brokerage firms
- Each state has a regulatory agency which administers the law, typically known as the State Securities Commissioner
- <http://www.seclaw.com/stcomm.htm> for a list of Commissioners
- Blue Sky Reporter, available through CCH is source; contains decisions from 1936 – and rules and regulations from all 50 states.

Sources of State Securities Laws



- **LexisNexis**

- [Legal > Area of Law - By Topic > Securities > Statutes, Regulations & Administrative Materials > By State Code > State Codes, Constitutions, Court Rules & ALS, Combined](#)

- **Westlaw**

- Blue Sky Statutes ([BLUESKY-ST](#)) (combined states)
- Blue Sky Statutes by Individual State (XXSEC-ST where XX is the state's postal abbreviation)

- **CCH Blue Sky Law Reporter** [KF1431.B5 C6](#) .

- Provides state securities statutes and regulations, as well as selected state securities law cases.
- Also available online through the [CCH Business & Finance Network](#); select the "Securities" tab.

Secondary Print Sources

• Selected Treatises

- *Securities Regulation*, 4th (Loss and Seligman) [KF1431 .L6 2006](#)
- Cox & Hazen on Corporations [KF1414 .C69 2003](#)
- *Law of Securities Regulation* (Hazen) 6th ed. Reserve [KF1439 .H39 2009](#)
- Blue Sky Law (Long) [KF1439.A1 S42](#)

• Searching in Leagle, under subject heading:

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- Law and legislation --
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BNA: Securities and Corporate Responsibility Library



Securities and Corporate Responsibility Library:

- [***Broker/Dealer Compliance Report***](#)
- [***Broker/Dealer Compliance Report***](#)
- [***Corporate Governance Report***](#)
- [***Securities Law Daily***](#)
- [***Securities Regulation & Law Report***](#)
- [***World Securities Law Report***](#)
- [***White-Collar Crime Reporter***](#) (available through Westlaw)

Tips and Tricks



- A common pitfall is locating sections of Acts and regulations
 - You may start as references to sections of the act as it was enacted
 - Also, be sure to locate codified version using tables and notes in USCA or USCS
- Regulations correlator in the Finding Devices of the *Federal Securities Law Reporter*. Chicago, Ill.: Commerce Clearinghouse. [KF1068.4 .C63](#) also available from [CCH Intelliconnect](#)
- Concordance tables in Penny Hazelton, ed., *Specialized Legal Research*, New York, N.Y.: Aspen Pub., 2001—[KF240 .S62](#)

Locating Cases



- ***Federal Securities Law Reporter***
 - ✦ In Print at [KF1068.4 .C63](#)
 - ✦ LexisNexis (CCH;CCHSEC)
 - ✦ Online with Subscription from CCH: [Intelliconnect](#)
- **BNA's Securities Regulation and Law Report**
 - ✦ In Print at [KF1431 .B8](#)
 - ✦ LexisNexis ([SECREG](#))
 - ✦ Online with Subscription: <http://news.bna.com/srln/>
- **Westlaw ([FSEC-CS](#))**
- **LexisNexis: [Legal > Area of Law - By Topic > Securities > Cases & Court Rules > Federal > Federal Securities Cases](#)**
- **Also try various Blogs**

PLI Secondary Materials

SEC Speaks

- CLE/Seminar that highlights the SEC's initiatives and priorities for the year ahead
- Available from [Practicing Law Institute](#)

PLI Corporate Law & Practice Handbook Series

- Westlaw ([PLICORP-ALL](#))
- Bloomberglaw.com
- Also look up individual titles in LEAGLE: [Corporate Law And Practice Course Handbook Series](#)

ABI Inform (ProQuest)

The screenshot displays the ProQuest ABI Inform Advanced Search page. At the top, it indicates that 36 databases are being searched. The interface includes a search bar, a dropdown menu for search scope (set to 'All fields + text'), and a search button. Below the search bar, there are options to limit results by date range (set to 'All dates') and source type. The 'Source type' section is expanded, showing a list of document types such as 'Audio & Video Works', 'Books', 'Conference Papers & Proceedings', 'Dissertations & Theses', 'Encyclopedias & Reference Works', 'Government & Official Publications', and 'Historical Newspapers'. Other sections include 'Document type' and 'Language'. On the right side, there is a 'Search subject areas' section with a list of subjects: The Arts, Business, Dissertations & Theses, Health & Medicine, History, Literature & Language, News & Newspapers, Science & Technology, and Social Sciences. The page also features navigation links like 'Basic Search', 'Advanced', 'Publications', 'Browse', 'Preferences', 'English', and 'Help'.

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- A monthly publication covering law developments in corporate and securities law.
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- Find in Pence Law Library: [KF1397 .I57](#)

INSIGHTS

THE CORPORATE & SECURITIES LAW ADVISOR

Volume 17 Number 1, January 2003

SECURITIES OFFERINGS

Indemnification and Contribution in Underwritten Offerings

In connection with an underwritten offering of securities, the issuer, underwriters, and selling securityholders (if any) will enter into an underwriting agreement that sets out the rights and obligations of the parties. The indemnification and contribution sections of the underwriting agreement often receive significant attention in the negotiation process, because these provisions go to the heart of risk allocation—an issue that has taken on increased importance in the current economic environment. In order to effectively negotiate these sections, the parties need to understand the substantive issues involved as well as the state of the “market” with respect to the contents of these sections.

by Stephen E. Older and Joshua M. Bloomstein

Although the pace of initial public offerings has dramatically slowed, many secondary offerings are still being conducted.¹ In connection with underwritten offerings, the issuer and the selling securityholders (if any) will enter into an underwriting agreement with the underwriters. In a firm commitment underwriting, the underwriting agreement is not executed until immediately before the filing of the final amendment to the registration statement (or after the filing of the registration statement in the case of certain filings made pursuant to Rule 430A of the Securities Act of 1933

Stephen E. Older co-chairs the corporate finance practice group at Akin Gump Strauss Hauer & Feld LLP in New York. Joshua M. Bloomstein is an associate in the firm. The authors may be reached at solder@akingump.com and jbloomstein@akingump.com, respectively.

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(Securities Act)).² Underwriters typically have a standard form of underwriting agreement from which they are hesitant to deviate, and underwriters' counsel will often state that the indemnification and contribution sections of the underwriting agreement are “sacrosanct.” However, portions of these sections can still be negotiated, and it is important that issuers, selling securityholders, and their counsel understand the substance of these provisions.

In connection with this article, we reviewed 20 publicly-filed underwriting agreements executed in connection with equity offerings conducted between July 2002 and December 2002 (each of which involved one or more selling securityholders) in order to determine what the state of the “market” is with respect to certain aspects of indemnification and contribution provisions in these agreements.

Indemnification and Contribution Under the Federal Securities Laws

The Securities and Exchange Commission (SEC) has taken the position that indemnification for liabilities arising out of violations of federal securities laws is against public policy and, consequently, void, and requires an issuer to make a statement to this effect in the registration statement.³

Courts addressing the issue have taken an approach consistent with that of the SEC. For example, in *Globus, Inc. v. Law Research Service, Inc.*,⁴ the US Court of Appeals for the Second Circuit held that in light of the fact that the underwriter had actual knowledge of a material misstatement in the prospectus, the underwriter could not avail itself of the indemnifica-

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Print Legislative Histories



- J. S. Ellenberger & Ellen P. Mahar, *Legislative History of the Securities Act of 1933 and Securities Exchange Act of 1934*. Available in PDF format through [HeinOnline](#).
- *Federal Securities Laws: Legislative History, 1933-1982* (supplemented through 1990). Compiled by the Federal Bar Association, Securities Law Committee [KF1439.A1 F42](#).

Electronic Legislative Histories



Westlaw

- Federal Securities Legislative History ([FSEC-LH](#)). Contains selected legislative history documents for federal securities acts beginning with 1933. Full text.
- Gramm-Leach-Bliley Act Legislative History ([GLBA-LH](#)). Contains congressional committee reports related to the passage of the Gramm-Leach-Bliley (Financial Services Modernization) Act of 1999.
- Arnold & Porter's Legislative History of the Sarbanes-Oxley Act of 2002 ([SAROX-LH](#)). Full text.
- Arnold & Porter's Legislative History of the Insider Trading and Securities Fraud Enforcement Act of 1988 ([INSIDER-LH](#)). Full text.

LexisNexis

- [Legal > Area of Law - By Topic > Securities > Statutes, Regulations & Administrative Materials > Federal > US - CIS Legislative Histories - Securities Law](#)
 - Provides abstracts of and citations to committee reports, hearings, and other legislative documents produced in association with federal securities laws enacted since 1970. Links to the full text of selected documents.
- [Legal > Area of Law - By Topic > Securities > Statutes, Regulations & Administrative Materials > Federal > House and Senate Committee Reports of the 1933 and 1934 Acts](#) .
 - Full text.

International Securities Regulation

International Organization of Securities Commissions

Contains a list of foreign regulators similar to the SEC

CCH Business and Finance Internet Research NetWork

(International Business tab)
Provides securities laws of 37 selected foreign countries, including Australia, Canada, China, France, Germany, and Italy. Foreign corporations laws (not necessarily securities laws, but sometimes including them) are available for many countries through