



SECURITIES REGULATION RESEARCH GUIDE

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PURPOSE:

This pathfinder provides guidance in conducting securities regulation research. Included is a discussion of the important securities statutes and regulations, and information on how to find both primary and secondary sources related to securities regulation.

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The Securities and Exchange Commission (SEC) was created under the Securities Exchange Act of 1934 (15 U.S.C. §§ 78-78jj). The SEC regulates disclosure to the public and protects investors against malpractice in the securities markets. The SEC regulates securities brokers, dealers and transfer agents, as well as securities, transactions, and, under certain circumstances, individual investors.

STATUTES

The authority to regulate securities transactions comes from seven principal statutes at the federal level:

- Securities Act of 1933 – **15 USC §§ 77a-77mm**
- Securities Exchange Act of 1934 – **15 USC §§ 78a-77kk**
- Public Utilities Holding Company Act of 1935 – **15 USC §§ 79-79z**
- Trust Indenture Act of 1939 – **15 USC §§ 77aaa-77bbb**
- Investment Company Act of 1940 – **15 USC §§ 80a-1 - 80a-64**
- Investment Advisers Act of 1940 – **15 USC §§ 80b-1 - 80b-21**
- Securities Investor Protection Act of 1970 – **15 USC §§ 78aaa - 78III**

These statutes are included in the standard federal statute compilations, and are also printed in various research sources including the *Federal Securities Law Reporter*, which will be discussed later.

FORMAT	COVERAGE	LOCATION
Paper	current year current year current year	<i>United States Code (USC) Unclassified Floor 4</i> <i>United States Code Annotated (USCA) Unclassified Floor 4</i> <i>United States Code Service (USCS) Unclassified Floor 4</i>
Westlaw	current year	<i>FSEC-USCA database</i>
Lexis	current year	<i>FEDSEC library & USCS file</i>
Internet	current year current year	<i>United States Code – Cornell Site</i> http://www4.law.cornell.edu/uscode/ <i>United States Code – House of Representatives Site</i> http://uscode.house.gov/usc.htm

A. References from the Acts to the Code

Those involved with securities law generally make reference to the Acts rather than Code sections. This practice can be a source of confusion when attempting to consult the official version of the Statutes. For example, section 5(b)(1) of the 1933 Act becomes 15 U.S.C. § 77c(b)(1). The *Federal Securities Law Reporter* **KF 1436.5 .C6** contains a cross-reference table which shows the corresponding Code citation for each section of each Act.

B. Legislative History

For the legislative history of each of the statutes, consult the following sources:

- *Federal Securities Laws: Legislative History 1933-1982*, supplements 1983-1987 & 1987-1990 **KF 1439 .F42**
- Ellenberger, J., *Legislative History of the Securities Act of 1933 and Securities Exchange Act of 1934* **KF 1433 .E4**
- LEXIS contains House and Senate Conference Committee Reports for the 1933 and 1934 Acts and includes recent amendments **FEDSEC library & LEGIS file**
- Westlaw's *Federal Securities and Blue Sky Law Legislative History* **FSEC-LH database**

RULES AND REGULATIONS

The SEC, as the agency charged with administering federal securities law, has Congressional authorization to promulgate rules and regulations to carry out the law. Regulations under the seven federal securities statutes are codified largely in **Title 17 of the Code of Federal Regulations (CFR)**, beginning with part 200 and continuing through part 399. For each of the statutes administered by the SEC, the following CFR Part will contain the rule and regulations on the statute. Other Parts contain general provisions relating to the SEC and securities law administration.

- Securities Act of 1933 – **17 CFR Part 230**
- Securities Exchange Act of 1934 – **17 CFR Part 240**
- Public Utility Holding Company Act of 1935 – **17 CFR Part 250**
- Trust Indenture Act of 1939 – **17 CFR Part 260**
- Investment Company Act of 1940 – **17 CFR Part 270**
- Investment Advisers Act of 1940 – **17 CFR Part 275**
- Rules of the Securities Investor Protection Corp – **17 CFR Part 300**

FORMAT	COVERAGE	LOCATION
Paper	current year	<i>Code of Federal Regulations (CFR)</i> Unclassified Floor 4
Microform	1938 – present	Unclassified
Westlaw	current year	FSEC-CFR database
Lexis	current year	FEDSEC library & CFR file
Internet	current year	<i>Code of Federal Regulations Online – LII Access</i> http://www4.law.cornell.edu/cfr/

A. References to Original Rule Numbers in the CFR

SEC rule numbers are preserved as part of the CFR designators. For example, Rule 134 under the Securities Act would be cited as CFR Section 230.134.

B. Proposed Rules and Regulations

Prior to codification, proposed securities rules or regulations appear in the *Federal Register*. Other sources of advance notice regarding proposed changes in securities regulations include the *Federal Securities Law Reporter* **KF 1436.5 C6**, and the *Securities Regulation and Law Reporter* **KF 1439. A1 S38**, as will be discussed later.

FORMAT	COVERAGE	LOCATION
Paper	current year	<i>Federal Register</i> (FR) Unclassified Floor 4
Microform	1936 – present	Unclassified
Westlaw	1980 – present	<i>FSEC-FR database</i>
Lexis	1980 – present	<i>FEDSEC library & FEDREG file</i>
Internet	1995 – present current year	<i>Federal Register Online – GPO Access</i> http://www.access.gpo.gov/su_docs/aces/aces140.html <i>Current SEC Rulemaking: Proposed & Final Rules</i> http://www.sec.gov/rulemake.htm

DECISIONS AND CASE LAW

Cases related to federal securities law can be found in a variety of sources and their location will depend on the level to which the case in question has been litigated in the federal court system. Cases will be contained in the federal and regional case reporters. Most importantly, all cases related to securities law can be found in the Federal Securities Law Reporters, which are discussed later.

FORMAT	COVERAGE	LOCATION
Paper	1790 – present 1880 – present 1932 – present	<i>U.S. Supreme Court Reports</i> Unclassified Floor 4 <i>Federal Reporter Series</i> Unclassified Floor 4 <i>Federal Supplement Series</i> Unclassified Floor 4
Westlaw	1789 – present	<i>FSEC-CS database</i>
Lexis	varies	<i>FEDSEC library & COURTS file</i>
Internet	1893 – present varies by Circuit varies by District	<i>U.S. Supreme Court Decisions</i> http://www.findlaw.com/casecode/supreme.html <i>Federal Circuit Court Decisions</i> http://www.findlaw.com/casecode/courts/index.html <i>Federal District Court Decisions</i> http://www.findlaw.com/casecode/district.html

In addition, the *SEC Decisions and Reports* **KF 1444. A55 S4** contain the official texts of administrative proceedings brought before the SEC. These are originally published as “releases” and are eventually printed and compiled in bound volumes under this title. An example of an SEC administrative proceeding citation is: *In the Matter of Louisville Gas and Electric Company*, 10 S.E.C. 1091 (SEC 1942).

SEC ISSUANCES AND COMPANY REPORTS

- **Releases**

- SEC Releases cover a broad range of SEC functions.
- Notices, Orders, and Rulemaking proposals and adoptions constitute the majority of the Commissions Releases.
- Also, whenever the agency issues an interpretation of the securities law, it is done through a release.
- An example of a release citation is **SEC Release No. 34-35833**. The two number prefix refers to the applicable Act (Securities Exchange Act of 1934).

FORMAT	COVERAGE	LOCATION
Paper	1961 – present	<i>Federal Securities Law Reporter</i> KF 1436.5 .C6
Westlaw	varies	<i>FSEC-RELS database</i>
Lexis	1933 – present	<i>FEDSEC library & SECREL file</i>
Internet	varies	<i>SEC Concept & Interpretative Releases</i> http://www.sec.gov/rules/concindx.htm

- **No Action Letters**

- No Action Letters express the SEC’s position in response to private requests for determination of the legality of contemplated conduct.
- These letters are analogous to IRS private letter rulings and are mostly compliance-oriented.

FORMAT	COVERAGE	LOCATION
Paper	1961 – present	<i>Federal Securities Law Reporter</i> KF 1436.5 .C6
Westlaw	1970 – present	<i>FSEC-NAL database</i>
Lexis	1971 – present	<i>FEDSEC library & NOACT file</i>

- **Forms Required by the SEC**

- The SEC requires the filing of information on specialized forms.
- These forms are available from the SEC or through secondary sources such as the *Federal Securities Law Reporter* **KF 1436.5 .C6** or Jacobs’ *Manual of Corporate Forms for Securities Practice* **KF 1437 .J3**.

- **Company Reports Filed With the SEC**

- Companies are required to provide the SEC with specific information regarding their operations and offerings of securities. Most of these reports are available to the public through the SEC.
- The statutes require that companies file an Annual Report to (Form 10-K), a Quarterly Report (Form 10-Q), a copy of the Annual Report to Shareholders, any Proxy Statements to shareholders, as well as copies of prospectuses and registration statements.
- Company reports and other required filings can be found on the **EDGAR system** (Electronic Data Gathering, Analysis and Retrieval).

FORMAT	COVERAGE	LOCATION
Westlaw	1987 – present 4/93 – present	<i>SEC-ONLINE database</i> <i>EDGAR database</i>
Lexis	varies 4/93 – present	<i>FEDSEC library & SEC file</i> <i>FEDSEC library & EDGARP file</i>
Internet	4/93 – present varies	<i>SEC EDGAR Database</i> http://www.sec.gov/edgarhp.htm <i>Disclosure Global Access (SU campus access only)</i> http://libwww.svr.edu/research/database/dbs1.htm#D

LOOSELEAF AND REPORTER SERVICES

- *Federal Securities Law Reporter* **KF 1436.5 .C6**
 - Published by Commerce Clearing House (CCH).
 - Looseleaf service that contains the full text of the Securities Act of 1933, Securities Exchange Act of 1934, the Public Utilities Holding Company Act, and the Investment Company Act of 1940.
 - The service also provides coverage of SEC rules, regulations, interpretive releases and full-text of court decisions that interpret the federal securities laws or regulations.
 - Consists of topical volumes numbered 1-7, a current volume, and a series of “transfer binders.” The seven numbered volumes accompanied by the current volume are the ones used most often. The transfer binders contain filings of previous years’ decisions. Each of the first six binders follows a similar format containing the text of the various statutes, related regulations, official forms, court decisions, no-action letters and interpretive releases as well as extensive annotations.
 - All of the information in this *Reporter* is accessed through the following methods:
 - **Rapid Finder Index (Volume 1)**
 - **Topical Index (Volume 1)**
 - **Case Table (Volume 7)**
 - **Finding Lists (Volume 7)**
 - **Cumulative Index (Current Volume)**
 - The Cumulative Index in the Current Volume serves as the “bridge” between older material and new developments and is an important method of updating your research. **However when looking for the latest information in this publication, especially for proposed regulations or rule changes, it is important to note that there can be up to a FOUR WEEK DELAY before coverage in the print format.** One should also consult the BNA publication listed directly below that has a tendency to report regulatory changes more quickly. Alternatively, the researcher should consult LEXIS or WESTLAW.

- Paragraph numbers are used for all reference purposes in the *Reporter*. Paragraph numbers appear in the text and also at the bottom outside corners of the pages. They are preceded by the “¶” symbol.
- *Securities Regulation and Law Report* **KF 1439 .A1 S38**
 - Published by the Bureau of National Affairs (BNA). I
 - Weekly service that provides coverage of proposed changes in rule and regulations, enforcement actions, recent no-action letters and other current matters impacting the securities field.
 - It is available on LEXIS in the *FEDSEC library & SECREG file* and on the Internet at <http://www.law.syr.edu/library/collections/bna/> (SU campus access only).
- *SEC Accounting Guide* **KF 1446 .S43**
 - One-volume publication that contains information on financial reporting, accounting and auditing enforcement releases of the SEC.
 - This service reports new SEC accounting regulations and changes in existing regulations in one section.
 - Regulation S-K is reproduced and amended to date.
- *SEC Compliance: Financial Reporting and Forms* **KF 1446 .A6 W4 (Bird Library)**
 - Covers how to prepare Form 10-K, the basic annual report, and other annual report forms.
 - The publication also lists the events that trigger a form 8-K filing and how to complete the form.
 - Volume 2 contains SEC Accounting Rules and Securities Act registration rules and guides.

SECONDARY SOURCES

A. Treatises, Texts and Encyclopedia Articles

- *Corpus Juris Secundum*, “Securities Regulation and Commodity Futures Trading Regulation” **Reference Unclassified (Encyclopedia Wall)**
- *American Jurisprudence*, “Securities Regulation” **Reference Unclassified (Encyclopedia Wall)**
- *Annual Institute on Securities Regulation* **KF 1439 .A2 S4**
- Harold S. Bloomenthal, *Securities and Federal Corporate Law* **KF 1439 .B55**
- Harold S. Bloomenthal, *Securities Law Handbook* **Reserves KF 1439 .B544**
- Harold S. Bloomenthal, *Securities Law in Perspective* **KF 1440 .B57**
- *Federal Regulation of Securities, Annotated* **KF 1439 .F41**
- Thomas Lee Hazen, *Treatise on the Law of Securities Regulation* **KF 1439 .H39; Reserves KF 1439 .H39**
- Arnold S. Jacobs, *Opinion Letters in Securities Matters: Text, Clauses, Law* **KF 1070 .J33**
- Arnold S. Jacobs, *Manual of Corporate Forms for Securities Practice* **KF 1437 .J3**
- Louis Loss, *Blue Sky Law* **KF 1070 .L67**

- Louis Loss & Joel Seligman, *Fundamentals of Securities Regulation* **KF 1438 .L67**
- Louis Loss & Joel Seligman, *Securities Regulation* **KF 1439 .L62**
- Larry Soderquist, *Understanding the Securities Laws* **KF 1440 .S62**
- Hugh Lawrence Sowards, *Blue Sky Regulation* **KF 1414 .B8**
- Marc I. Steinberg, *Understanding Securities Law Reserves* **KF 1440 .S74**
- *Westlaw Guide to Federal Securities Law Research* **KF 242 .S43 W47**
- “Securities Regulation” in *Specialized Legal Research Reference* **KF 240 .S69**
- *Bob Berring’s Commando Legal Research: Securities Regulation Reserves Videotape* **KF 240 .B476 1990 T.9**

B. Journals and Periodicals

- *Annual Report of the SEC* (1981-present) **Microform KF 1444 .A14 S4**
- *The Business Lawyer* **Unclassified Floor 2; Microform Unclassified**
- *Journal of Corporation Law* **Unclassified Floor 2; Microform Unclassified**
- *National Law Journal* **Unclassified Atrium/Floor 5 (recent issues); Microform Unclassified (back issues)**
- *New York Times* **Unclassified Atrium/Floor 5 (current month only)**
- *Review of Securities and Commodities Regulation* **KF 1432 .R48**
- *SEC Docket* **Microform KF 1432 .A2 U54**
- *SEC News Digest* **Microform KF 1444 .Z9**
- *Securities Law Review* **Unclassified Floor 2**
- *Securities Regulation Law Journal* **Unclassified Floor 2**
- *Washington and Lee Law Review (Annual Review of Securities and Commodities Law)* **Unclassified Floor 2**
- *Wall Street Journal* **Unclassified Atrium/Floor 5 (current month only)**

C. Dictionaries and Study Aids

- *The A to Z of Wall Street* **Reference HG 4513 .H56**
- *The Wall Street Journal Guide to Understanding Money & Investing* **Reference HG 4910 .M67**
- *The Securities Industry Glossary* **Reference HG 4513 .S427**
- *Securities Regulation in a Nutshell* **Reserves KF 1440 .R37; KF 1440 .R37**
- *Investment and Securities Dictionary* **Reference HG 4513 .T48**

D. Internet

- *SEC Website* <http://www.sec.gov>
- *Blue Sky Law Securities Regulation and Research*
<http://www.law.ab.umd.edu/marshall/bluesky>
- *Center for Corporate Law* <http://www.law.uc.edu/CCL/>
- *Corporations: An Overview* <http://www.law.cornell.edu/topics/corporations.html>
- *Law Journal Extra: Securities Law*
<http://www.ljextra.com/practice/securities/index.html>

- *SEC LAW .com* <http://www.seclaw.com>

STATE SECURITIES LAW (BLUE SKY LAW)

Each of the fifty states has its own securities laws. It is important to remember that while the focus of law school course work is largely concerned with federal securities law, practitioners must comply with state as well as federal requirements.

FORMAT	COVERAGE	LOCATION
Paper	current	<i>Blue Sky Law Reporter</i> KF 1068.4 .B47
Westlaw	varies	<i>FSEC-ALL database</i>
Lexis	1933 – present	<i>FEDSEC library & BLUSKY file</i>
Internet	varies	<i>Blue Sky Law Securities Regulation and Research</i> http://www.law.ab.umd.edu/marshall/bluesky