Preface

This Handbook was created for the purpose of providing a broad overview of the federal securities laws. There are many treatises that examine those laws in detail, and the number of law review articles that examine every minutiae of those statutes is staggering. This Handbook seeks to fill a void in that literature by providing ready access to the scope of the federal securities laws, while also providing the reader with the basic information needed to understand their reach.

The Handbook’s initial chapter provides a description of the federal securities laws and the operation and structure of the agency charged with their enforcement – the Securities and Exchange Commission (“SEC”). Subsequent chapters focus on the definition of a security and registration requirements under the Securities Act of 1933, the underwriting process, and the continuous reporting requirements under the Securities Exchange Act of 1934 Act (1934 Act).

The regulation of secondary markets under the 1934 Act is the subject of other chapters. Price manipulation concerns are considered in another chapter. The Handbook also addresses the rules governing the operations of broker-dealers, including compliance and capital requirements. Other chapters describe the arbitration of disputes between broker-dealers and their customers, and private rights of action for self-regulatory organization rule violations. Still another chapter addresses the regulation of investment advisers under the Investment Advisers Act of 1940.

The Handbook also includes a chapter on corporate governance issues under the Sarbanes-Oxley Act of 2002. Another chapter addresses provisions in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which broadened regulation of the securities markets and brought the regulation of derivative instruments into the realm of the SEC. The international regulation of financial instruments, which followed the Financial Crisis of 2008 and which are now affecting U.S. traders, is the subject of still another chapter.

Part of the strength of this Handbook is the diverse background of its contributors, including securities litigators, former regulators and academicians. Each contributor has provided their unique style and experience, and the editors have exercised care in preserving that style while bringing together a broad overview of the complex provisions of the federal
securities laws. The contributors to this Handbook have done a remarkable job capturing and describing the existing regulatory arena while setting up the framework for further analysis of the ever-evolving financial regulations. Indeed, with the Dodd-Frank Act, regulators are still hard at work finalizing a substantial portion of the rules that Act requires.