



## Notes on Legal Responsibilities of Public Companies

Name: \_\_\_\_\_ Class \_\_\_\_\_ Date: \_\_\_\_\_

Go to the SEC website (<http://www.sec.gov/about/laws.shtml>) and look at the list of laws that regulate the securities industry (which includes public companies that sell shares of stock.). Then answer the following questions:

1. Which securities act is known as the “truth in securities” law?
2. Explain the objectives of the “truth in securities” law.
3. When securities (such as shares in a public company) are registered to be sold, what information must be provided in the registration forms?
4. Which securities act set up the SEC?
5. What is an SRO?
6. Give three examples of an SRO.
7. When is insider trading illegal?
8. When was the Sarbanes-Oxley Act passed and which president signed it?

(This is a fill-in PDF form. You may type your answers into the blanks, then print. Or you may print the form and fill it in by hand. For course credit, submit the form to your teacher.)

9. What is the PCAOB and what does it do?

10. Do you feel the securities laws that govern public companies are too strict, or not strict enough? Write a paragraph explaining your answer.

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