

# Discussion of SEC Regulations and Proposals

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September 25, 2008

# SEC PROPOSALS AND REGULATIONS

- WHAAAAA???
- Watch this space

FAR SIDE



"I'm sorry, Sidney, but I can no longer help you. ...  
These are not my people."

# STATE OF PLAY

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- XBRL – More and Different Work (At least at first)
- Pros and cons of using your Web site as primary means of disclosure
- E-Proxy IFRS and IDEA (or something like them) are all coming soon to a theater near you

# STATE OF PLAY

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- The People's Republic of Wall Street
- After any major crisis, sweeping new reform
- State and Federal Regulations
- New Regulators

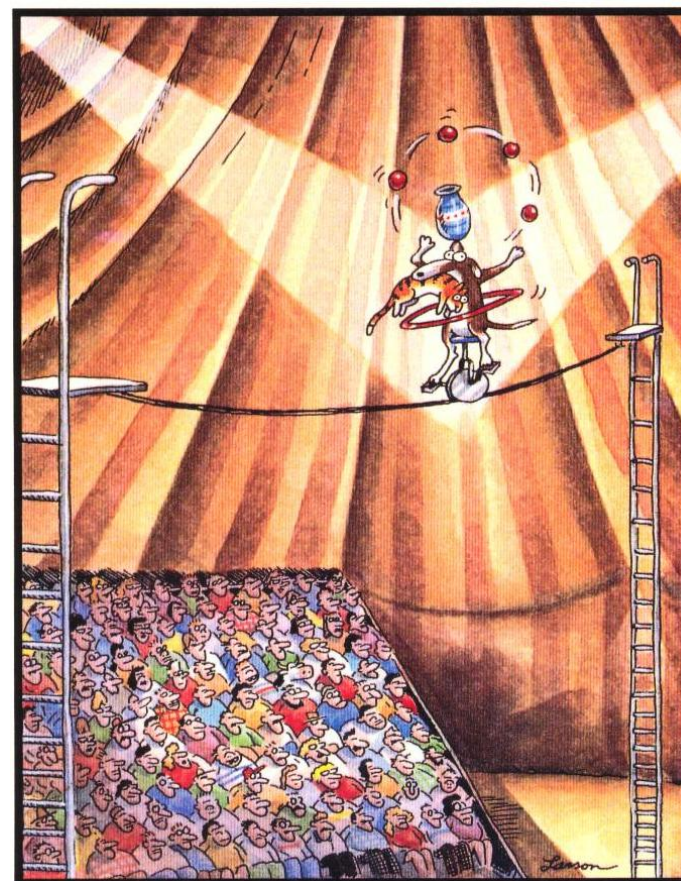
# STATE OF PLAY

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- A Sarbanes-Oxley for Wall Street?
- New rules, new regs mean new litigation and more work for the lawyers
- Unintended consequences
- Workout period
- And of course... more work for IROs...

# STATE OF PLAY

- WHAT WON'T CHANGE:
  - Globalization
    - IFRS
  - Technological Improvements
    - Move toward more real time reporting
    - Move from rules to principles based regulation (no more adherence to the rules as protection)
    - Need to be conduit of information flow between management, board and investors



High above the hushed crowd, Rex tried to remain focused. Still, he couldn't shake one nagging thought: He was an old dog and this was a new trick.



# PRACTICAL SUGGESTIONS IN TURBULENT TIMES... and when aren't they?

- SarBox – SEC strongly suggests that public companies have disclosure committees. (IROs are on their list of suggested disclosure committee members.)
- The SEC views IRO as Reg FD compliance officers.
- You bear the liability, so get the D&O protection



*"No, I don't need an alarm clock—*anxiety is my alarm clock.*"*

# PRACTICAL SUGGESTIONS IN TURBULENT TIMES



- Prepare in advance
  - Have practical policies in place
  - Have formal compliance training in place

## Training of staff key to avoiding lawsuits

Lloyd's of London  
CEO says he expects  
increasing litigation

Lawsuits are not going away. Lloyd's of London, which sells specialty insurance to businesses in 200 countries and territories, recently released a global survey of executives who say that the rest of the world is starting to catch up to the USA in lawsuits, and they say that is driving up costs and stifling risk-taking. What are companies to do? Lloyd's CEO **Richard Ward**, 51, spoke from London with USA TODAY management reporter **Del Jones**. Following are excerpts, edited for clarity and space.

**Q: What one type of lawsuit poses the biggest threat?**

**A:** There is a range. Technology risk involving technology security, nanotechnology issues. Environmental risk involves climate change and pollution. And, of course, corporate governance, especially involving communication with shareholders, disclosure and transparency.



# PRACTICAL SUGGESTIONS IN TURBULENT TIMES

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- Be ready to act in crisis mode...
  - 24/7 Contact Information for your working group
  - Internal Contacts
  - Outside Advisors
    - Lawyers and PR Counsel
  - Current Lists of:
    - Key Stakeholders
    - Key Investors
    - Key Press
    - Relevant Regulators

# PRACTICAL SUGGESTIONS IN TURBULENT TIMES

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- Updated Confidential teleconferencing and contact availability
- Press Release Distribution
- Have a formal and anecdotal feedback loop of investment community issues, concerns and likely reactions
- Investor meetings – pre-briefs, and, now more than ever, de-briefings
- Take advantage of NIRI's network

# CONCLUSIONS

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- Be Prepared
- Do the Right Thing
- Enjoy What You Do

# MARY BETH KISSANE

Mary Beth Kissane is a Principal at Walek & Associates and heads the firm's Investor Relations and Corporate Transactions Practice Group, providing investor relations and media relations counsel to public and private companies in M&A, crises, restructurings, IPOs and other transactions. In addition, she is responsible for the firm's professional services and financial services clients. An attorney, Kissane has over twenty years experience in corporate and investor communications. She has strategized, developed and executed hundreds of investor and media relations and corporate communications programs for domestic and non-U.S. issuers, and conducted hundreds of shareholder research analyses. Kissane is the founder of Corporate Perception Research LLC, providing independent, high-quality shareholder perception research to corporate boards and officers with investor relations responsibilities, (including corporate secretaries, corporate governance officers, corporate counsel, investment bankers and board advisors) for use in due diligence, for realistic and unbiased self-assessment or for otherwise analyzing investor sentiment as part of on-going investor relations and executive compensation efforts and analyses.

Previously, Kissane provided senior counsel to clients at Abernathy MacGregor in landmark global merger and crisis situations, as well as media, public and investor relations initiatives for financial and alternative investment firms. She oversaw the financial services practice at Hill & Knowlton as a Senior Managing Director within the agency's corporate practice and was a member of the litigation and professional services practices. Prior to that, she advised international and domestic clients at Georgeson and Company, and headed the firm's international practice.

Her 1997 note on international corporate governance has been cited by the World Economic Forum, international governance scholars, state bar associations and corporate governance and international trade texts. Kissane received her MS and MA at Iona College and her law degree from New York Law School, where she was a member of the International Law Journal. She is an adjunct instructor at the NYU School of Marketing Management and at the School of Taxation and Finance and at Iona College School of Mass Communication -- where she lectures on corporate communications, investor relations, and corporate governance.

Kissane has been a president of the New York Chapter of the National Investor Relations Institute (NIRIny) and is a former member of NIRI's Senior Roundtable Steering Committee. She is a member of the Working Group revising NIRI's Standards of Practice, and is a member of the American Bar Association, the New York State Bar, and a charter member of PR Newswire's Disclosure Advisory Board.