

SECURITIES AND EXCHANGE COMMISSION ROUNDTABLE, ADDITIONAL WAYS TO COMBAT RETAIL INVESTOR FRAUD

Seminar
Washington, D.C.
September 26, 2018

Practices & Industries

Securities Regulation & Corporate
Compliance

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Mark Harmon will join others in the Securities Industry at the Securities and Exchange Commission Roundtable.

2:00 p.m. Panel Three – Additional Ways to Combat Retail Investor Fraud

Transfer Agents. Transfer agents, among other things, are responsible for reissuing stock certificates in connection with a sale, and where appropriate removing a “restrictive legend” stating that the securities may not be resold absent Securities Act registration or an exemption. Bad actors may acquire restricted shares and then attempt to resell them, and remove the restrictive legend, in furtherance of a fraudulent or manipulative scheme. In these cases, transfer agents can play an important role in protecting retail investors if they prevent inappropriate removals of restrictive legends.