

MEMO# 13604

June 7, 2001

REGULATION FD AND THE USE OF CONFIDENTIALITY AGREEMENTS

[13604] June 7, 2001 TO: COMPLIANCE ADVISORY COMMITTEE No. 24-01 INVESTMENT ADVISERS COMMITTEE No. 15-01 SEC RULES COMMITTEE No. 43-01 RE: REGULATION FD AND THE USE OF CONFIDENTIALITY AGREEMENTS Members have informed us that following the adoption of Regulation Fair Disclosure last fall, issuers are increasingly seeking confidentiality agreements before meeting with investment management personnel. Members also expressed concerns about the implications of entering into these agreements. We therefore asked outside counsel to review the legal consequences associated with entering into such confidentiality agreements. The attached memorandum prepared by outside counsel provides a general overview of these issues and suggests guidelines for members' consideration. In considering these guidelines, members should take into account their own circumstances and practices. Doretha VanSlyke Zornada Assistant Counsel Attachment Attachment (in .pdf format)

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