

Date:

2008-07-30

Summary:

Following a recommendation from the Advisory Committee on Improvements to Financial Reporting, the Securities and Exchange Commission unanimously voted to provide new guidance on the use of Web sites by public companies. The SEC's interpretive release will become effective upon publication in the Federal Register and is divided into four parts which touch upon:

1. When information posted on a corporate Web site can be considered public, meeting the disclosure requirements of Regulation FD.
2. The scope of liability for such forms of electronic disclosure as historical data, third-party links, appropriate use of summary information and the application of antifraud provisions to statements made on behalf of the company in blogs and electronic shareholder forums.
3. The general exemption of information posted on corporate Web sites from SOX rules governing disclosure controls and procedures.
4. The ability to adapt interactive and other dynamic Web design features which may not satisfy a "printer-friendly" standard.

SEC Chairman Christopher Cox said demand is growing for "more timely company disclosure on the Web.... The guidance issued today clarifies the rules of the road so investors can gain — quickly and in a cost-effective manner — the benefits of Internet disclosure of the latest information."

Link to Original:

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Original Title:

SEC Provides Guidance To Open Up Use Of Corporate Web Sites For Disclosures To Investors
