

# [Business memorandum assignment](https://assignbuster.com/business-memorandum-assignment/)

BUSINESS MEMORANDUM ASSIGNMENT MEMORANDUM 04 01 To Ms. Germaine Sy Manager From Assistant Manager RE Plain English for SEC
As per instruction from you dated April 02, 2011, please find below how the Securities and Exchange Commission (SEC) wants writers to use plain English.
According to the Office of Investor Education and Assistance, U. S. Securities and Exchange Commission (1998), SEC Disclosure documents must be presented in plain English. Companies are encouraged to use simple English in order for investors and the public to easily review and understand the reports as well as make informed decisions. In addition, plain English disclosures will help protect investors with the federal securities laws. This is with the reality in mind that not all investors are lawyers, accountants or investment bankers.
(1) Meeting all legal requirements: a cover page, summary and risk factors all written in plain English.
(2) Simple English provide an orderly and clear presentation of the complex information. It needs to consider the most important information that investors need in order to make intelligent decisions.
(3) The document as much as possible must be concise, welcoming, and direct so that the reader will be interested to read.
(4) The writer should be authoritative, knows how long the document should be, who should contribute which, aware of the time element of deadline and submission, consider her reader, and what information to disclose. An overview must be presented first before the details.
(5) Everything should be in orderly manner with the use of headings and subheadings, with related information grouped together. Plain English uses ordinary everyday words, short sentences, active voice, regular print and personal pronouns speaking directly to the reader.
In the design process or graphics, the following are recommended:
(1) Consider the importance or level of information required or hierarchy with the use of title, distinguishing sections and subsections
(2) Typography indicates readable use of fonts, their sizes, and color.
(3) Layout is the careful use of space, column width, line spacing and paragraph length.
(4) Graphics illuminate information in a clear manner faster than text. Well-designed data graphics are simple and powerful. Example is Table below:
(5) Color. Refers to the effective use of document text color especially black which is the most common font or text color. It should be properly balanced with a theme using shades, graphics, rules or lines and colored paper stocks.
I hope the information is sufficient. Please do not hesitate to call for any clarification needed.
Respectfully,
Your Name
Source:
Office of Investor Education and Assistance. U. S. Securities and Exchange Commission. A Plain English Handbook: How to create clear SEC disclosure documents Accessed from http://www. sec. gov/pdf/handbook. pdf