

John H. Walsh,  
*Regulatory Supervision by the Securities and Exchange Commission: Examinations in a  
Disclosure-Enforcement Agency*

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The author examines the Securities and Exchange Commission (SEC) as a regulatory and enforcement agency. The Article discusses the unrecognized importance of the supervisory function of examination in implementing administrative rules and procedures. The SEC has made a substantial investment in examinations. The author explains how the Commission's supervisory function is preventive instead of remedial, cooperative instead of adversarial, and confidential instead of public. The Article distinguishes regulatory supervision from other conventional forms of enforcement, and notes that the SEC's examination program is demonstrative of regulatory supervision. The Article also describes various initiatives undertaken by the Commission's examination program to enhance its regulatory supervision. In conclusion, the author highlights supervision as a significant component of the SEC's regulatory work.