

# Memorandum

## SEC Agrees to Terminate Remaining Undertakings Under the Global Research Analyst Settlement

December 9, 2025

On December 5, 2025, the Securities and Exchange Commission (the “SEC”) announced its consent to the termination of the remaining undertakings under the Global Research Analyst Settlement. Originally entered into in 2003 and 2004, the settlement imposed specific conduct and disclosure obligations on twelve major investment banks to address conflicts of interest between equity research analysts and investment banking personnel. The SEC has now agreed, subject to court approval, to rescind the settlement in its entirety, acknowledging that the requirements it contained have been largely superseded by existing regulatory standards.

### Background

The Global Research Analyst Settlement arose from a series of enforcement actions brought by the SEC and other regulators against the named firms and required the firms to adopt and maintain certain policies and procedures to ensure the independence of research analysts and the accuracy of their reports.

In 2015, FINRA adopted SEC-approved Rule 2241, which sought to comprehensively address conflicts of interest in research analyst activities. The rule, which applies to all broker-dealers, imposes similar requirements on broker-dealers and research analysts, including restrictions on pre-publication review, disclosure requirements and limitations on interactions between research analysts and those outside the research department, including relating to information barriers, supervision and compensation. For further details on the scope and requirements of Rule 2241, please refer to our earlier [memorandum](#).

Earlier this year, the settling firms filed motions seeking to terminate the remaining undertakings in the settlement, citing, among other things, the adoption and implementation of Rule 2241. In its responses to the motions, the SEC acknowledged that the undertakings had been superseded.

### Impact

The practical impact of the SEC’s action may be limited, as the principles and many of the obligations previously imposed under the settlement are addressed by FINRA Rule 2241. However, the SEC’s step towards more streamlined regulation of research analysts may lead to more research, particularly for smaller companies. As Commissioner Mark T. Uyeda noted in his [statement](#) issued on December 5, 2025, “[t]he Commission’s action will lower compliance friction, promote more consistent interpretations, and, ultimately, expand the availability of research coverage that helps investors make better decisions.”

For further information regarding this memorandum, please contact one of the following authors or your regular Simpson Thacher contact:

NEW YORK CITY

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**David Azarkh**  
+1-212-455-2462  
[dazarkh@stblaw.com](mailto:dazarkh@stblaw.com)

**Lesley Peng**  
+1-212-455-2202  
[lpeng@stblaw.com](mailto:lpeng@stblaw.com)

**Andrew J. Pagliughi**  
+1-212-455-2321  
[apagliughi@stblaw.com](mailto:apagliughi@stblaw.com)

**Joseph H. Kaufman**  
+1-212-455-2948  
[jkaufman@stblaw.com](mailto:jkaufman@stblaw.com)

**Kenneth B. Wallach**  
+1-212-455-3352  
[kwallach@stblaw.com](mailto:kwallach@stblaw.com)

**Karen Hsu Kelley**  
+1-212-455-2408  
[kkelley@stblaw.com](mailto:kkelley@stblaw.com)

**Jennie Getsin**  
+1-212-455-7145  
[jgetsin@stblaw.com](mailto:jgetsin@stblaw.com)

BOSTON

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**Joshua Ford Bonnie**  
+1-617-778-9032  
[jbonnie@stblaw.com](mailto:jbonnie@stblaw.com)

PALO ALTO

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**William B. Brentani**  
+1-650-251-5110  
[wbrentani@stblaw.com](mailto:wbrentani@stblaw.com)

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