

Publications

DOL and SEC Opine on How Fiduciaries May React to Inside Information

ATTORNEYS & PROFESSIONALS

Jon Breyfogle

jbreyfogle@groom.com

202-861-6641

Jim Cole

jcole@groom.com

202-861-0175

Jennifer Eller

jeller@groom.com

202-861-6604

David Kaleda

dkaleda@groom.com

202-861-0166

Jason Lee

jlee@groom.com

202-861-6649

David Levine

dlevine@groom.com

202-861-5436

Scott Mayland

smayland@groom.com

202-861-6647

Thomas Roberts

troberts@groom.com

202-861-6616

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SERVICES

On March 11, 2016, the Department of Labor (DOL) and Securities and Exchange Commission (SEC) each filed amicus briefs in *Whitley v. BP, P.L.C.* to clarify the responsibilities of a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (ERISA) with control of an employee stock ownership plan, as a company stock fund investment option of a 401(k) plan. The DOL outlined potential corrective actions a fiduciary can take when there is an ongoing fraud (i.e., false or misleading public statements) that would be consistent with a fiduciary's duty of prudence under ERISA. The SEC's brief discussed whether these approaches would be consistent with the federal securities laws.

Please see the attached memo for further information.

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