

Publications

Fiduciary Lessons From DOL's Win In Employee Stock Case

ATTORNEYS & PROFESSIONALS

William Delany

wdelany@groom.com

202-861-6643

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In *Acosta v. Vinoskey et al.*, the U.S. District Court for the Western District of Virginia recently awarded the Sentry Equipment Erectors Inc. employee stock ownership plan \$6.5 million for the ESOP's overpayment for the founding shareholder's 52% interest in Sentry Equipment Erectors. The selling shareholders (Adam Vinoskey and a related trust) and the ESOP trustee were held jointly and severally liable.

The court held that the ESOP trustee had breached its duty of prudence and duty of loyalty to the ESOP and had committed a prohibited transaction by overpaying for the company stock held by Vinoskey and a related trust. It also held that Vinoskey was a knowing participant in the prohibited transaction and, thus, was jointly and severally liable with the ESOP trustee.

In this *Law360* article, linked below, Groom principal [William Delany](#) further delves into the *Acosta v. Vinoskey et al* decision, the key considerations of the court, damages and conclusions of law.

- [Fiduciary Lessons From DOL's Win In Employee Stock Case](#)