

## What to Expect from SEC Enforcement: Regulation Best Interest

The Securities and Exchange Commission (“SEC”)’s Regulation Best Interest (“Reg BI”) imposes a heightened best interest standard on broker-dealers when recommending securities transactions or investment strategies. Broker-dealers were required to begin complying with the regulation on June 30, 2020. In the 18 months since the SEC’s deadline for compliance, however, the SEC’s Enforcement Division has been remarkably quiet about Reg BI. Regulated firms should not expect this silence to continue. There are strong indications that Reg BI enforcement is coming:

- SEC Chair Gary Gensler is under pressure from broad constituencies to show results in the space. For example, at a recent hearing of the Financial Services Committee of the House of Representatives, Rep. Carolyn Maloney (D-NY) encouraged Chair Gensler to “take further action to strengthen this rulemaking.”<sup>1</sup>
- Chair Gensler appears prepared to set the tone at the top for increased Reg BI enforcement. Among other additions to his senior staff, Chair Gensler appointed Barbara Roper, a well-known investor advocate and former director of investor protection at the Consumer Federation of America, who has argued that Reg BI does not do enough to eliminate broker-dealer conflicts of interest.<sup>2</sup>
- The SEC has signaled that regulated firms may not be getting Reg BI right, and senior SEC officials have made it clear that they intend to take an expansive, perhaps aggressive, approach to Reg BI.

With enforcement on the horizon, lessons from past SEC enforcement actions and public statements by SEC leadership can help broker-dealers assess their compliance risk and better position themselves for potential regulatory scrutiny—lest they become an Enforcement test case for the “best interest” standard.

### I. The Basics of Reg BI

Reg BI established a new, heightened standard for broker-dealers in recommending securities transactions or investment strategies to retail customers. Before Reg BI, broker-dealers were subject only to FINRA’s suitability standard, which required a broker-dealer to have a reasonable basis to believe the recommended transaction or investment strategy was appropriate for the customer based on the customer’s investment profile.<sup>3</sup> Reg BI requires broker dealers to act in the best interest of the customer, without placing their own financial or other interests ahead of their customers’.

Reg BI is a principles-based rule that is, arguably, light on helpful details—such as a definition for the phrase “best interest.” Rather, as implemented, Reg BI’s “best interest” standard requires broker-dealers to comply with four component obligations: (i) disclosure, (ii) care, (iii) conflicts of interest, and (iv) compliance.

- **Disclosure:** Requires a broker-dealer to disclose all material facts about the scope and terms of its relationship with the customer, including the fees and costs the customer will incur, the type and scope

---

<sup>1</sup> Press Release, Rep. Maloney Encourages SEC Chair Gensler to Strengthen Regulation Best Interest and Expand Corporate Board Diversity Efforts (Oct. 5, 2021), available at <https://maloney.house.gov/media-center/press-releases/rep-maloney-encourages-sec-chair-gensler-to-strengthen-regulation-best>.

<sup>2</sup> Chair Gensler’s appointment of Ms. Roper sparked public questioning from at least one lawmaker, Rep. Ann Wagner (R-Mo), who challenged Chair Gensler’s hiring of “staff [people] with a clear public record of opposing Reg BI.” Mark Shoeff Jr., *SEC will ensure Reg BI fulfills best-interest promise: Gensler*, Investment News (Oct. 5, 2021), available at <https://www.investmentnews.com/sec-will-ensure-reg-bi-fulfills-best-interest-promise-gensler-212345>.

<sup>3</sup> FINRA Rule 2111.

of the broker-dealer's services, and any conflicts of interest the broker-dealer may have.<sup>4</sup> Disclosure must be made in writing at or before the time the recommendation is made.<sup>5</sup>

- **Care:** Requires a broker-dealer to exercise reasonable diligence, care, and skill when making a recommendation to a retail customer.<sup>6</sup> This means that a broker-dealer must understand and assess the risks, rewards, and costs of the recommendation in light of the customer's investment profile and consider reasonable alternatives available.<sup>7</sup>
- **Conflicts of Interest:** Requires broker-dealers to establish, maintain, and enforce written policies and procedures reasonably designed to identify conflicts of interest, and either disclose or eliminate them.<sup>8</sup> The adopting release for Reg BI specifically calls out sales contests, sales quotas, bonuses, and other compensation based on the sale of specific securities as examples of conflicts of interest that must be eliminated or disclosed.<sup>9</sup>
- **Compliance:** Requires broker-dealers to establish, maintain, and enforce written policies and procedures reasonably designed to comply with the disclosure and care obligations, and Reg BI as a whole.<sup>10</sup>

Reg BI draws on key fiduciary principles, but is not itself a fiduciary standard.<sup>11</sup> In fact, although investor advocates argued during the SEC's rulemaking process that the SEC should adopt a universal fiduciary standard that would apply to both broker-dealers and investment advisers, the SEC declined to do so.<sup>12</sup>

## II. Going Further: What Does “Best Interest” Mean?

The SEC's decision to create a new “best interest” standard for broker-dealers means that, for better or for worse, there is no precedent guiding enforcement of Reg BI. This blank slate gives the SEC wide latitude to interpret Reg BI, and the SEC's Division of Enforcement significant discretion in enforcing the rule.

The appointment of Gary Gensler as SEC Chairman in April 2021 means that the SEC is likely to use its discretion to interpret the best interest standard expansively. Chair Gensler has a well-earned reputation as a tough regulator and is widely expected to employ the Division of Enforcement as the “cop on the beat,” to pursue aggressive enforcement action during his tenure.<sup>13</sup> Recent public statements by Chair Gensler and SEC leadership have not dispelled this expectation. For example, at the 2021 FINRA Annual Conference, Chair Gensler warned that “Best Interest means best interest” and “going right up to the edge of a rule or searching

---

<sup>4</sup> Regulation Best Interest: The Broker Dealer Standard of Conduct, Exchange Act Release No. 34-86031 (June 5, 2019), at 14 (hereinafter, “Adopting Release”).

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> *Id.* at 15.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.* at 16.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.* at 48-49, 60.

<sup>12</sup> *Id.* at 19. In contrast to broker-dealers, registered investment advisers owe full fiduciary duties under federal law, *SEC v. Capital Gains Research Bureau, Inc.*, 375 U.S. 180, 194 (1963). Thus, the obligations owed by investment advisers are unaffected by the adoption of Reg BI.

<sup>13</sup> See, e.g., Mark Schoeff Jr., *Gensler expected to put teeth in Reg BI — not overturn it*, Investment News (Jan. 19, 2021), <https://www.investmentnews.com/gensler-expected-to-put-teeth-in-reg-bi-not-overturn-it-201499>; Erika Kelton, *SEC Moves Signal More Aggressive Enforcement Under Biden*, Forbes (Feb. 16, 2021), available at <https://www.forbes.com/sites/erikakelton/2021/02/16/sec-moves-signal-more-aggressive-enforcement-under-biden/>.

for some ambiguity in the text or a footnote may not be consistent with the law and its purpose.”<sup>14</sup> Similarly, in his first public remarks after being appointed director of the SEC’s Division of Enforcement, Gurbir Grewal emphasized that Reg BI “is intended to enhance previous broker-dealer standards of conduct significantly beyond the suitability obligation.”<sup>15</sup>

### III. Reg BI Enforcement Risks

Although to date the SEC has not announced any Reg BI enforcement actions, that is unlikely to remain the case for long.<sup>16</sup> In December 2020, the SEC’s Division of Examinations (“Exams”) announced expanded Reg BI examinations as a result of its initial examinations.<sup>17</sup> In March 2021, Exams ranked Reg BI at the top of the list of its 2021 examination priorities.<sup>18</sup> And, in May 2021, just one month after Chair Gensler took the helm at the SEC, Exams reportedly began issuing requests for information on Reg BI compliance.<sup>19</sup> Exams’ focus on Reg BI compliance is likely to result in increased referrals to the Division of Enforcement and in an uptick in settled and litigated Reg BI enforcement actions. We expect that enforcement will come in two waves.

#### *First Wave of Reg BI Enforcement: Low-Hanging Fruit*

The first wave of Reg BI enforcement is likely to penalize broker-dealers that have not taken adequate steps to implement new or improved policies and procedures to comply with Reg BI. This pattern of picking off low-hanging fruit – *i.e.*, identifying and bringing enforcement actions for clear failures to comply – is typical for the SEC’s approach to enforcement of new regulations.

In fact, the SEC already has resolved a number of enforcement actions against broker-dealers that failed to comply with the Form CRS requirement, one of the companion regulations adopted on the same day as Reg BI. The SEC requires registered investment advisers and broker-dealers to provide retail investors with Form CRS, which describes the nature of the advisory or brokerage services the firm offers to retail investors, as well as the firm’s fee structure. Firms must file their Forms CRS with the SEC, deliver them to customers, and post them prominently on their websites. In July 2021, the SEC issued fines of up to \$97,500 against 27 firms that had failed to file, deliver, or post their respective Forms CRS.<sup>20</sup> In October 2021, the SEC brought another settled action against a registered investment adviser for failure to comply with the Form CRS requirement.<sup>21</sup>

---

<sup>14</sup> Gary Gensler, Remarks at 2021 FINRA Annual Conference, *available at* <https://www.sec.gov/news/speech/gensler-finra-conference>.

<sup>15</sup> Gurbir Grewal, PLI Broker/Dealer Regulation and Enforcement 2021, *available at*

[https://www.sec.gov/news/speech/grewal-pli-broker-dealer-regulation-and-enforcement-100621#\\_ftnref11](https://www.sec.gov/news/speech/grewal-pli-broker-dealer-regulation-and-enforcement-100621#_ftnref11)

<sup>16</sup> Although FINRA also has authority to regulate broker-dealers, it appears that FINRA has adopted a “wait and see” approach to Reg BI, and thus we expect initial enforcement action to come from the SEC.

<sup>17</sup> Press Release, Division of Examinations Staff, Statement on Recent and Upcoming Regulation Best Interest Examinations from the SEC Division of Examinations (Dec. 21, 2020), *available at* <https://www.sec.gov/news/public-statement/examinations-regulation-best-interest-2020-12-21>.

<sup>18</sup> Press Release, SEC Division of Examinations Announces 2021 Examination Priorities (March 3, 2021), *available at* <https://www.sec.gov/news/press-release/2021-39>.

<sup>19</sup> See, e.g., Tracey Longo, *SEC Takes Aggressive New Step in Enforcing Reg BI*, Financial Advisor Magazine, *available at* <https://www.fa-mag.com/news/sec-takes-new-step-in-enforcing-reg-bi-62202.html?section=3>.

<sup>20</sup> Press Release, SEC Charges 27 Financial Firms for Form CRS Filing and Delivery Failures, *available at* <https://www.sec.gov/news/press-release/2021-139>.

<sup>21</sup> *In the Matter of Disciplined Capital Management LLC*, Admin. Proceeding No. 3-20630 (Oct. 20, 2021), *available at* <https://www.sec.gov/litigation/admin/2021/ia-5893.pdf>.

Firms could be in a similar position with respect to Reg BI without realizing it. A November 2021 survey conducted by the North American Securities Administrators Association (“NASAA”) suggests that many firms are operating in the same manner under Reg BI as they were before Reg BI.<sup>22</sup> Among other things, NASAA found that firms have not significantly changed the investment products that they recommend or sell since Reg BI went into effect.<sup>23</sup> In addition, NASAA found that many firms have not significantly changed their disclosure processes or compensation structures since Reg BI was implemented.<sup>24</sup> As a result, NASAA concluded that “the industry is taking steps in the right direction, just very small ones at this early juncture,” and that regulators will need to intervene to ensure that Reg BI is effective.<sup>25</sup>

NASAA found examples of what it described as “presumptive breaches” of Reg BI.<sup>26</sup> This includes firms using the “advisor” or “adviser” title while operating in a broker-dealer capacity, which the SEC has stated constitutes a breach of Reg BI’s disclosure obligation.<sup>27</sup> In addition, NASAA identified firms that have not implemented enhanced policies or procedures to mitigate conflicts of interest, as well as firms that claim they have no conflicts to manage, which NASAA believes presumptively breaches the conflict of interest obligation.<sup>28</sup> NASAA also noted, however, that some firms had “seen the writing on the wall” and implemented policy or product reforms before the effective date of Reg BI, and that such policy changes may have been underrepresented in the survey.<sup>29</sup>

The SEC is focusing on the same issues and may share NASAA’s views, particularly with respect to “presumptive breaches.” Although broker-dealers may believe that their legacy policies and procedures and written supervisory procedures comply with Reg BI, and thus that they do not need to take further affirmative action, the SEC’s Exams and Enforcement Divisions are unlikely to agree. Broker-dealers that anticipate, or are facing SEC investigations or enforcement actions, should document steps that they have taken to enhance their compliance programs, policies, and procedures under Reg BI, so they are positioned to educate regulators (or courts, if necessary) about the affirmative steps that they have taken to comply with Reg BI. To the extent those steps were taken before the adoption of Reg BI, it is important for firms to explain how those steps were motivated by the probable enactment of Reg BI and comply with Reg BI as enacted.

### ***Second Wave of Reg BI Enforcement: Interpreting “Best Interest”***

The second wave of SEC enforcement will likely consist of more nuanced enforcement actions, challenging conduct where the application of Reg BI is less clear. These actions will likely raise questions about the scope, applicability, and requirements of Reg BI, including as against traditional brokerage firms, and as against new industries and financial markets’ players, such as the burgeoning FinTech industry. For example, Enforcement cases may test:

- Whether, and to what extent, broker-dealers have acted consistently with the duty of care, including with regard to consideration of alternative investment products;
- Whether, and to what extent, broker-dealers are required to enhance their existing compliance programs to ensure compliance with the new “best interest” standard and its component obligations;

---

<sup>22</sup> NASAA, Report and Findings of NASAA’s Regulation Best Interest Implementation Committee: National Examination Initiative Phase II (A) (Nov. 2021), *available at* [https://www.nasaa.org/wp-content/uploads/2021/11/NASAA-Reg-BI-Phase-II-A-Report-November-2021\\_FINAL.pdf](https://www.nasaa.org/wp-content/uploads/2021/11/NASAA-Reg-BI-Phase-II-A-Report-November-2021_FINAL.pdf).

<sup>23</sup> *Id.* at 4.

<sup>24</sup> *Id.* at 12, 14.

<sup>25</sup> *Id.* at 19-20.

<sup>26</sup> *Id.* at 19.

<sup>27</sup> *Id.*; Adopting Release, at 148.

<sup>28</sup> *Id.*

<sup>29</sup> *Id.* at 5.

- Whether, and in what circumstances, self-directed online investment platforms make “recommendations” of investment products or strategies within the meaning of Reg BI.

We discuss some of these below.

Failure to Consider Reasonable Alternatives. Reg BI requires broker-dealers to consider reasonable alternatives as part of the care obligation, but does not provide any guidance as to how that requirement can be satisfied. As a result, since Reg BI’s enactment, broker-dealers have adopted inconsistent approaches to the consideration of reasonable alternatives, and, in at least some cases, have left the determination to the discretion of individual representatives. Last month’s NASAA survey recognized the consideration of reasonable alternatives as a potential area for improvement.<sup>30</sup> In addition, there have been recent reports that the SEC’s Exams Division has conducted examinations and issued deficiency letters for failures to consider reasonable alternatives.<sup>31</sup> Accordingly, firms may wish to think about how they would explain their policies and procedures governing the consideration of reasonable alternatives, in the event of an enforcement inquiry.

Compliance Failures. It is typically easier for the SEC to show that policies and procedures were deficient or ineffectively implemented than to make a transaction-by-transaction showing that particular recommendations were made in violation of regulation. SEC investigations and enforcement actions almost always include a compliance component. For example, the SEC’s investigations into Exchange-Traded Products (“ETPs”) between 2016 and 2020 yielded settlements with a number of firms – all of which involved violations of the securities laws stemming from purported compliance failures, not any underlying violations related to any particular recommendation.<sup>32</sup> We expect that the SEC will recycle this page from its playbook for Reg BI enforcement. Firms facing enforcement actions under Reg BI therefore should prepare to defend against charges of compliance failures as well.

Online Investment Platforms and Digital Engagement Practices. When the SEC adopted Reg BI, it confirmed that Reg BI would not “apply to self-directed or otherwise unsolicited transactions by a retail customer.”<sup>33</sup> Like the suitability standard<sup>34</sup> before it, Reg BI applies only to broker-dealer recommendations.

The distinction between solicited and unsolicited transactions is not always clear in the context of online trading platforms, however. One popular online trading platform, for example, describes its popular app as “democratiz[ing] finance for all” by making market access and information more widely available.<sup>35</sup>

---

<sup>30</sup> NASAA, Report and Findings of NASAA’s Regulation Best Interest Implementation Committee: National Examination Initiative Phase II (A) (Nov. 2021), at 9-11, *available at* [https://www.nasaa.org/wp-content/uploads/2021/11/NASAA-Reg-BI-Phase-II-A-Report-November-2021\\_FINAL.pdf](https://www.nasaa.org/wp-content/uploads/2021/11/NASAA-Reg-BI-Phase-II-A-Report-November-2021_FINAL.pdf).

<sup>31</sup> *See, e.g.*, Tracy Longo, *SEC Blasts Broker-Dealers With Reg BI Exam Deficiency Letters*, Financial Advisor (Oct. 21, 2021), *available at* <https://www.fa-mag.com/news/sec-blasts-broker-dealers-with-reg-bi-exam-deficiency-letters-64513.html>.

<sup>32</sup> *See* Press Release, SEC Charges UBS With Supervisory Failures in Sale of Complex Products to Retail Investors (Sept. 28, 2016), *available at* <https://www.sec.gov/news/pressrelease/2016-197.html>; Press Release, Morgan Stanley Settles Charges Related to ETF Investments (Feb. 14, 2017), *available at* <https://www.sec.gov/news/pressrelease/2017-46.html>; Press Release, SEC Charges Wells Fargo In Connection With Investment Recommendation Practices (Feb. 27, 2020), *available at* <https://www.sec.gov/news/press-release/2020-43>; Press Release, SEC Charges Investment Advisory Firms and Broker-Dealers in Connection with Sales of Complex Exchange-Traded Products (Nov. 13, 2020), *available at* <https://www.sec.gov/news/press-release/2020-282>; Press Release, UBS Settles Charges Related to Investments in Complex Exchange-Traded Product (July 19, 2021), *available at* <https://www.sec.gov/news/press-release/2021-130>.

<sup>33</sup> Adopting Release at 77.

<sup>34</sup> As discussed above (p. 1 & n.3, *supra*), before Reg BI, broker-dealer recommendations were governed by FINRA’s suitability standard, which required only that broker-dealers have a “reasonable basis” to make the recommendation. FINRA Rule 2111. Reg BI adopts the suitability standard as part of its component care obligation; how much further Reg BI goes with respect to constraining broker-dealer discretion to recommend securities to clients, if at all, remains to be seen.

<sup>35</sup> Robinhood.com, Our Mission (last viewed Dec. 6, 2021), *available at* <https://robinhood.com/us/en/support/articles/our-mission/e>.

Many traditional broker-dealers have launched their own online trading platforms espousing similar principles.<sup>36</sup> But some observers have argued that certain features of these online trading platforms – such as real-time notifications that stocks are up or down and investing games or contests – are designed to drive user engagement, and thus keep investors using the app longer and induce them to trade. These critics argue that, accordingly, these built-in app “digital engagement features” constitute “recommendations” of an investment strategy under Reg BI.<sup>37</sup>

To date, the SEC has not provided formal guidance as to when it believes built-in app digital investor engagement practices rise to the level of “recommendations” subject to Reg BI, though it is clearly focused on the issue. In September 2021, Chair Gensler suggested that Reg BI may apply to digital engagement features that “encourage investors to trade more often, invest in different products, or change their investment strategy.”<sup>38</sup> Chair Gensler also expressed concern that digital engagement practices designed to increase revenues or data collection may lead to potential conflicts of interest between platforms and investors.<sup>39</sup> In October 2021, the SEC solicited public comment on digital engagement practices and related matters.<sup>40</sup>

It seems likely that the SEC will take some action concerning online investment platforms and digital engagement practices in the near future, although it remains to be seen whether that action will take the form of rulemaking or enforcement. Firms offering online investment platforms should marshal their evidence now that they are in compliance. For example, the conflict of interest obligation may be satisfied by existing disclosures, especially given the significant public attention that these issues have attracted.

Robo-Advisors. The use of AI technology in the investment industry has exploded in recent years.<sup>41</sup> Broker-dealers now deploy AI-based applications for a range of different functions, including robo-advisors, programs which use rules-based models to provide investment advice directly to customers.<sup>42</sup> Robo-advisors raise unique issues with respect to compliance with Reg BI, and are thus ripe for SEC investigation and potential enforcement.

In November 2021, the SEC issued a risk alert disclosing that it had examined a number of robo-advisors and issued deficiency letters to nearly all of them.<sup>43</sup> Among other things, the SEC raised concerns that robo-advisors may be formulating investment advice without sufficient information, thus failing to satisfy their duty of care, and that disclosures regarding robo-advice were inaccurate or incomplete.<sup>44</sup> The SEC also found a number of deficiencies in robo-advisors’ compliance programs.<sup>45</sup>

---

<sup>36</sup> See, e.g., <https://www.schwab.com/trading/tools-and-platforms>, <https://www.ally.com/invest/>.

<sup>37</sup> See, e.g., Kenneth Corbin, *Should Reg BI Apply to Robinhood?*, Barron’s (Sept. 10, 2021), available at <https://www.barrons.com/advisor/articles/robinhood-reg-bi-regulation-gamification-51631294540>; see also Administrative Complaint, *In the Matter of Robinhood Financial, LLC*, Dkt. No. E-2020-0047 (Dec. 16, 2020), available at <https://www.sec.state.ma.us/sct/current/sctrobinhood/MSD-Robinhood-Financial-LLC-Complaint-E-2020-0047.pdf>.

<sup>38</sup> Gary Gensler, Remarks before the European Parliament Committee on Economic and Monetary Affairs (Sept. 1, 2021), available at [https://www.sec.gov/news/speech/gensler-remarks-european-parliament-090121#\\_ftnref4](https://www.sec.gov/news/speech/gensler-remarks-european-parliament-090121#_ftnref4).

<sup>39</sup> *Id.*

<sup>40</sup> SEC, Request for Information and Comments on Broker-Dealer and Investment Adviser Digital Engagement Practices, Related Tools and Methods, and Regulatory Considerations and Potential Approaches; Information and Comments on Investment Adviser Use of Technology to Develop and Provide Investment Advice, Exchange Act Release No. 34-92766, available at <https://www.sec.gov/rules/other/2021/34-92766.pdf>.

<sup>41</sup> See FINRA, Artificial Intelligence (AI) in the Securities Industry (June 2020), at 1, available at <https://www.finra.org/sites/default/files/2020-06/ai-report-061020.pdf>.

<sup>42</sup> *Id.* at 7.

<sup>43</sup> SEC, Risk Alert: Observations from Examinations of Advisers that Provide Electronic Investment Advice (Nov. 9, 2021), at 4, available at <https://www.sec.gov/files/exams-cia-risk-alert.pdf>.

<sup>44</sup> *Id.* at 6-7.

<sup>45</sup> *Id.* at 5.

Although all of the firms examined were registered investment advisers, and thus subject to fiduciary duties, the SEC's findings could implicate Reg BI's care, disclosure, conflict of interest, and compliance obligations as well. Broker-dealers that operate robo-advisors may wish to assess their own enforcement risks in light of the SEC's recent findings.

\* \* \* \*

Of course, firms facing enforcement investigations and actions in any of these areas are not without defenses. Among other things, broker-dealers should keep in mind that the SEC consciously considered and rejected imposing full fiduciary duties on broker-dealers in the enactment of Reg BI. Thus, to the extent the Division of Enforcement attempts to convert Reg BI into a quasi-fiduciary duty standard in the actions it brings, it may be helpful to point to the extensive consideration of precisely that question during the notice and comment period.

## IV. Conclusion

The lack of precedent interpreting Reg BI's new best interest standard may create a double-edged sword for the SEC. On one hand, the SEC and its Exams and Enforcement Divisions have significant discretion to expansively interpret the scope of Reg BI. On the other hand, broker-dealers can also employ a broad range of arguments and strategies in defense of any overly broad or aggressive enforcement action. As Reg BI enforcement ramps up, broker-dealers facing increased enforcement risks may wish to consider evaluating their compliance, documentation, and litigation positions, so that they can make fully informed decisions about how to respond in the event of an examination or enforcement action.

\* \* \*

If you have any questions about the issues addressed in this memorandum, or if you would like a copy of any of the materials mentioned in it, please do not hesitate to reach out to:

**Sarah Heaton Concannon**

Email: [sarahconcannon@quinnemanuel.com](mailto:sarahconcannon@quinnemanuel.com)

Phone: 202-538-8122

**Kurt Wolfe**

Email: [kurtwolfe@quinnemanuel.com](mailto:kurtwolfe@quinnemanuel.com)

Phone: 202-538-8379

**William T. Pilon**

Email: [williampilon@quinnemanuel.com](mailto:williampilon@quinnemanuel.com)

Phone: 650-801-5091

To view more memoranda, please visit [www.quinnemanuel.com/the-firm/publications/](http://www.quinnemanuel.com/the-firm/publications/)

To update information or unsubscribe, please email [updates@quinnemanuel.com](mailto:updates@quinnemanuel.com)