

Insights

ATTORNEYS AUTHOR ARTICLE FOR 'LAW360' ON NEW INSIDER TRADING RISKS DURING PANDEMIC

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Washington Partner and Co-Chair Emeritus Therese Pritchard, Washington Partner LaDawn Naegle and Kansas City Partner Vicki Westerhaus [authored an article published May 14 by *Law360*](#) regarding possible new risks associated with insider trading windows. In late March, the co-directors of the U.S. Securities and Exchange Commission's Division of Enforcement issued a statement on market integrity. They noted that the unique circumstances surrounding the COVID-19 pandemic mean corporate insiders may have access to nonpublic information about business uncertainties that may be of greater value than under normal circumstances. "Although companies need only disclose what is known or reasonably available, it can be challenging to comfortably determine what elements of the current state of affairs will, with hindsight, be viewed as both 'known' and material to investors," the authors wrote. "As a result, while there may be a path for some companies to follow regular protocols and open the trading window, many companies may conclude that in this especially challenging and unpredictable time, trading by company insiders should just wait."

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