

Alerts & Publications

Law360: High Court SEC Disgorgement Ruling Doesn't Empower FTC

July 8, 2020



KEY CONTACTS

Stephen McIntyre

Los Angeles
D: +1-213-430-8382

Sophie N. Tarazi

Los Angeles
D: +1-213-430-7836

O'Melveny counsel Stephen McIntyre and associate Sophie Tarazi co-authored this *Law360* article discussing the implications of the U.S. Supreme Court's decision in *Liu v. U.S. Securities and Exchange Commission* concerning disgorgement of ill-gotten profits.

"On June 22, the U.S. Supreme Court decided *Liu v. U.S. Securities and Exchange Commission*, upholding the SEC's ability to obtain disgorgement of ill-gotten profits in federal court, so long as the award does not exceed the wrongdoer's net profits and is awarded for victims," McIntyre and Tarazi wrote. "While doubts about the SEC's ability to seek disgorgement are resolved (for the time being, anyway), it is worth considering whether *Liu* has implications for the Federal Trade Commission — another agency that has long sought disgorgement in civil enforcement actions, despite questions about its authority to do so."

Law360 subscribers can read the full article [here](#).