

US corporate law weekly news: Supreme Court resolves split over Regulation S-K Item 303

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CATEGORY:
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On March 22, 2017, the U.S. Supreme Court granted certiorari to a case so as to allow it to address a federal circuit split over the question of whether Regulation S-K Item 303 may constitute a basis for bringing a securities fraud claim under Section 10(b) of the Securities Exchange Act of 1934.

The Second Circuit had held in *Indiana Public Retirement System v. SAIC, Inc.*, 818 F.3d 85 (2d Cir. 2016) that if the registrant has 'actual knowledge of the relevant trend or uncertainty', the failure to disclose such known trends or uncertainties under Item 303 could give rise to a Section 10(b) securities fraud claim. The Second Circuit's holding had directly contradicted historical Third and Ninth Circuit holdings on the same question.

For more information on the *Leidos, Inc. v. Indiana Public Retirement system*, No. 16-581, case, see here <http://www.scotusblog.com/case-files/cases/leidos-inc-v-indiana-public-retirement-system/>.