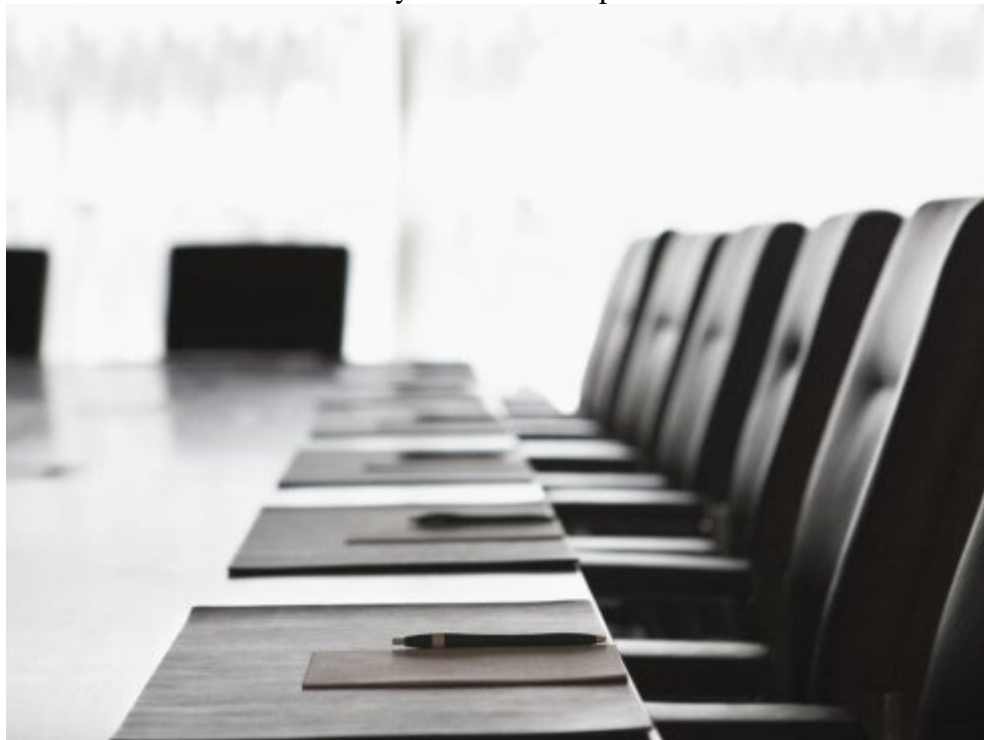


## [Blogs](#)

April 15, 2024

SEC Enforcement: 5 Takeaways from "SEC Speaks"



Here's a [Client Update](#) that lists five takeaways from the SEC Enforcement Staff at the recent PLI "SEC Speaks" conference. Here's an excerpt with one of those takeaways:

### **"Focus on Gatekeeper and Entity Liability To Increase Transparency and Trust in the Markets**

The SEC reaffirmed its commitment to holding gatekeepers accountable, underscoring the vital role that gatekeepers play in safeguarding investor interests. Panelists emphasized the SEC's capacity to enforce regulations and professional norms among gatekeepers, which, according to SEC staff, is "critical" to properly functioning capital markets.

In addition to underscoring the significance of the gatekeeper function, the staff highlighted the importance of registrants' implementation of robust controls to ensure investors receive accurate information. Indeed, the SEC's focus extends beyond gatekeepers to encompass the entities themselves, highlighting the need for proper internal controls over financial reporting and disclosure reporting procedures. The SEC aims to move beyond the notion that penalties are merely a business expense—the cost of doing business—and instead advocates for deterrent-focused remedies. Market participants should continue to ensure controls are up –to date and act together with gatekeepers to provide adequate protections to investors."

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