



## Fiduciary Governance

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## OVERVIEW

Service providers, plan sponsors, and intermediaries to retail and institutional investors continue to face a proliferation of policy, legislative, regulatory and litigation-driven changes to scopes of fiduciary status and ever-increasing fiduciary duties and requirements. These constantly evolving changes are occurring at the federal and state levels, resulting in overlapping and disparate compliance approaches. Financial institutions may be subject to multiple and conflicting sets of fiduciary or best interest obligations arising under federal and state law as a result of the nature of the different yet interrelated services they provide to their customers. These standards may also be vague and difficult to implement.

Stradley's fiduciary governance group counsels investment committees and intermediaries, such as investment advisers, banks, broker-dealers, retirement plan/IRA service providers, insurance providers and mutual fund directors, by identifying and making sense of this regulatory patchwork and helping clients understand the interplay of federal and state rules on 1) whether they owe a fiduciary or best interest duty to their customers, and 2) if so, the specific requirements that flow from such status. Moreover, the group keeps clients ahead of the curve by identifying emerging trends in the fiduciary landscape through [fiduciarygovernanceblog.com](http://fiduciarygovernanceblog.com), webinars and written alerts.

The fiduciary governance group leverages its technical understanding of both federal and state fiduciary rules to advise clients across regulatory schemes. The group seeks to help clients scale compliance programs under



a particular regulatory regime to comply with other applicable fiduciary rules and requirements. The fiduciary governance group also helps identify the daylight between the fiduciary requirements of federal and state statutes and regulations.

Members of the group have extensive technical experience with numerous federal and state laws, including in the following areas:

- **counseling SEC registered investment advisers** on identifying and addressing their fiduciary and related duties under the Investment Advisers Act of 1940 and applicable state laws, including those arising in connection with their portfolio management and trading functions
- advising corporate and governmental retirement plan sponsors, trustees, investment managers and other service providers on their fiduciary and related obligations under the **Employee Retirement Income Security Act of 1974 (ERISA)**, **the Internal Revenue Code** and applicable state laws
- identifying the ways in which ESG investing implicates existing fiduciary duties and the ways one can incorporate these strategies as part of a prudent process
- assisting fund sponsors and investment managers with structuring **private investment funds** to avoid “plan assets” status or to comply with ERISA’s stringent fiduciary requirements
- **helping investment company boards** and their investment advisers identify and address their fiduciary duties under the Investment Company Act of 1940 and applicable state laws

- assisting national and state-chartered banks and non-depository trust companies in fulfilling their fiduciary obligations under applicable federal and state banking laws, including in connection with maintenance of **common and collective trust funds**
- counseling SEC registered **broker-dealers** on their comparable customer suitability, best execution and other legal obligations under the Securities Exchange Act of 1934, the rules of the Financial Industry Regulatory Authority and applicable state laws
- advising financial intermediaries, such as dual-investment adviser/broker-dealer registrants, which are subject to multiple sets of fiduciary or comparable obligations, on properly identifying and meeting such obligations on a holistic, enterprise-wide basis
- representing investment intermediaries in connection with **federal or state agency investigations enforcement actions or judicial proceedings** involving alleged breaches of fiduciary or comparable duties

With a deep technical understanding in these areas, the fiduciary governance group collaborates to provide a streamlined service for clients operating in this complex web of fiduciary requirements by advising across regulatory schemes at both the federal and state levels.

Many members of the fiduciary governance group have previously worked for regulators or financial institutions, enabling the group to offer practical advice on fiduciary status and requirements.

## CONTACTS

### Lawrence P. Stadulis

Co-Chair, Fiduciary Governance  
Washington, D.C.  
lstadulis@stradley.com  
202.419.8407

### Katrina L. Berishaj

Co-Chair, Fiduciary Governance  
Washington, D.C.  
kberishaj@stradley.com  
202.507.5179

## OUR TEAM

### David W. Grim

Co-Chair, Investment Management  
Washington, D.C.  
dgrim@stradley.com  
202.507.5164

### Aliza S. Dominey

Associate  
Washington, D.C.  
adominey@stradley.com  
202.507.6405

### William T. Mandia

Partner  
Cherry Hill, NJ  
wmandia@stradley.com  
856.321.2417

### Sara P. Crovitz

Co-Chair, Investment Management  
Washington, D.C.  
scrovitz@stradley.com  
202.507.6414

### Alan P. Goldberg

Partner  
Chicago, IL  
agoldberg@stradley.com  
312.964.3503

### John M. Baker

Counsel  
Washington, D.C.  
jbaker@stradley.com  
202.419.8413

### Peter M. Hong

Co-Chair, Derivatives & Commodities  
Washington, DC  
phong@stradley.com  
202.419.8429

### Tara M. Walsh

Partner  
Malvern, PA  
twalsh@stradley.com  
484.323.1357

### Jennifer A. Gniady

Co-Chair, Nonprofit & Religious  
Organizations  
Washington, DC  
jgniady@stradley.com  
202.419.8436

### Christopher J. Zimmerman

Partner  
Washington, D.C.  
czimmerman@stradley.com  
202.419.8402

### Brandon M. Riley

Managing Counsel  
Philadelphia, PA  
briley@stradley.com  
215.564.8147

### Samuel E. Paul

Associate  
Philadelphia, PA  
spaul@stradley.com  
215.564.8625

For more information on our Fiduciary Governance practice, visit  
[www.stradley.com/fiduciarygovernance](http://www.stradley.com/fiduciarygovernance).



## CONTACTS

**Lawrence P. Stadulis, Co-Chair**  
202.507.5157  
lstadulis@stradley.com

**Katrina L. Berishaj, Co-Chair**  
202.507.5179  
kberishaj@stradley.com

## ABOUT *Stradley Ronon*

For more than 95 years, Stradley Ronon has helped private and public companies – from small businesses to Fortune 500 corporations – achieve their goals. With nine offices and more than 200 attorneys, Stradley Ronon is proud to help companies manage their legal challenges and grow their businesses.

[www.stradley.com](http://www.stradley.com)

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