

VLP Partner Melissa Krasnow Quoted in Law360 Article “SEC Solidifies Liability Risks with Cybersecurity Guidance”

VLP Partner Melissa Krasnow was quoted in the *Law360* article “SEC Solidifies Liability Risks with Cybersecurity Guidance.”

The article reported on a newly issued guidance from the U.S. Securities and Exchange Commission (SEC) that focuses on the need for publicly traded companies to be more upfront about cybersecurity in their public filings. The article noted that the guidance stresses the importance of having comprehensive policies and procedures in place when it comes to reporting cybersecurity risks and incidents, and the obligation of companies to not selectively disclose or trade on material nonpublic information about these cybersecurity considerations.

“Whenever a regulator such as the SEC puts forth additional guidance and says it’s an important area, as they’ve said with cybersecurity in this guidance, I think you can expect more investigations and more enforcement,” Ms. Krasnow told *Law360*.

Ms. Krasnow noted that companies should keep an eye on what, if any, impact the SEC guidance would have on private securities suits like the ones that have been filed against companies such as Yahoo, PayPal, Equifax and Intel, which take aim at both the companies' public disclosures and their executives' trading activities.

"It will be interesting to see whether additional federal securities class action lawsuits regarding breaches and data security will continue to be filed and whether it can be determined if there is any impact from the SEC’s interpretive release on these lawsuits," Ms. Krasnow said.

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