

## Supreme Court Holds That Five-Year Statute of Limitations Applies to SEC Disgorgement Actions

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On June 5, 2017, the Supreme Court of the United States unanimously held in *Kokesh v. SEC* that disgorgement collected by the Securities and Exchange Commission (SEC) is a "penalty" subject to the five-year statute of limitations on civil penalties under 28 U.S.C. § 2462.<sup>1</sup> The decision resolves a circuit split over whether disgorgement is a "penalty or forfeiture" within the meaning of § 2462.

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